

Speaker; Mr Mark McGowan; Mr Ben Wyatt; Mr Christian Porter; Mr Andrew Waddell; Dr Kim Hames; Mr
Brendon Grylls; Mr Bill Johnston; Mr Fran Logan

price rise, compounded. On top of that, when and if members opposite are elected at the next election, because they are the favourites to be re-elected, Western Australian families need to understand that another 25 per cent increase is in the government's forward estimates, sitting there, waiting like a time bomb, that Western Australian families will have to meet.

Dr M.D. Nahan interjected.

Mr M. McGOWAN: Another 25 per cent is sitting there in the forward estimates. As the member for Riverton said, compounded it is probably 30 per cent. When we add that in, that will mean, compounded over the term of seven or so years of a Barnett Liberal–National government, a 90 per cent increase in electricity prices. When confronted with this, what does the Premier say? He says, “They’re all in the forward estimates, they don’t matter. They’re irrelevant; they don’t mean anything! It’s in the forward estimates; they don’t mean anything.” Therefore, what he is saying is that all those months—I know that the Treasurer is a diligent person who works hard; he was in the Treasury offices working hard and putting all this together—of work is completely and utterly meaningless. All that work is meaningless because the Premier says that the figures in the budget are all completely and utterly meaningless, according to the government. But if those figures are meaningless for electricity price rises, it would stand to reason, according to the Premier’s own logic, that they are meaningless for expenditure in health and education. For those members who can expect a new road in their electorate in the out years in the budget, that is all meaningless. The government cannot have it both ways. It cannot say that one cost increase is meaningless in future years and that everything else is all real, but the bad stuff is not real. I will tell members why. That is a complete con on the people of Western Australia because, of course, the budget figures in the out years are predicated on everything holding together; therefore, those cost increases and the other expenditure in the budget is predicated on those cost figures being accurate. Therefore, either the figures are accurate and everything is real or they are inaccurate and nothing is real. The Western Australian public can expect those price rises and they can expect some of the other things that the government promised in terms of school, hospital, road and other construction, or they can expect that those prices rises and every other commitment that the government is making to every other community around Western Australia is not real; otherwise, the government is not telling the truth. Therefore, I am saying to the Premier that he needs to come clean on what exactly is the government’s plan for electricity prices in years to come.

What do we see on top of that electricity price increase? A six per cent rise in water, but we do not know what else. What do we see on top of that? An 8.3 per cent rise in gas the other week, approved by the hapless Minister for Energy, whose office, I note, is going to be just across the car park from the Premier. I saw that in some information on the internet; his office is just across the car park along with that of the Minister for Regional Development. We have also seen the government’s efforts on Keystart whereby the Reserve Bank put in place a 50 basis point cut. What do we see? A 37 basis point cut implemented by Keystart. Again, those tens of thousands of families who rely on the government for their home loan are suffering. All those things are occurring in an environment in which government revenue has never been stronger or greater, yet the government still makes life harder and more difficult for Western Australian families. As I said at the outset, the government’s legacy of poor financial management is coming home to roost. The government inherited a debt level in this state of \$3.6 billion. In the next budget coming forward, it will go to \$18.6 billion and eventually to \$23.2 billion. This is the Liberal and National Parties’ legacy to the people of Western Australia: higher prices and a massive blow-out in debt for the state of somewhere in the vicinity of a 600, 700 or 800 per cent increase. People in this state will need to pay for that increase in debt in the future.

On top of that, the government committed to giving back to families, by way of tax cuts, all the savings identified by the Economic Audit Committee and that, according to the Treasurer’s own budget speech, was a \$979 million saving. The government is not giving one single cent of that saving back to businesses and families in Western Australia in tax cuts. The government has identified nearly \$1 billion in savings and not one cent of that, contrary to its policy before the last election, is being given back to families and businesses in this state as tax cuts. I will address the government’s budget tomorrow in greater depth, but I want to set out some of the financial failings of the government, and the impacts on Western Australian families today of the government’s increases to the cost of living, its increasing debt and its failure to deliver tax cuts, which will leave a legacy of higher prices, a more difficult environment for families in which to survive and a debt that future generations will have to pay off.

MR B.S. WYATT (Victoria Park) [3.21 pm]: I, too, rise to speak to this matter of public interest. The Premier’s problem is that when it comes to cost-of-living issues, he is utterly unbelievable. During the 2008 election campaign, we all remember the now Premier furiously attacking the then government for its electricity price rise glide path with radio ads. At no point did the Premier say, “I’m going to hit you with 62 per cent”; at no point was that issue raised. That is why the Premier has a problem; he is utterly unbelievable. That is why on

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Sunday, when the Minister for Transport was out there talking about another federal government-funded initiative, the Premier was not selling the budget but was talking about seceding. He was back to the old doozy, “We’re leaving. We are heading off to Asia. See you later Canberra”. That is because he knows that his cost-of-living package in the budget is not believed and he is pushing against a firm view. Western Australians know that at no point has he prioritised their families in the decisions he has made in setting the budget. The Premier’s performance today was again extraordinary: “The forward estimates do not exist.” He is happy to take the surplus positions and he is happy to take the promises in the forward estimates, but he wants none of the bad stuff. That is merely forward estimates; it cannot be believed. The Premier has one more opportunity before the next election to be truthful to the Western Australian people, in the way he was not in 2008. The midyear review must have the Premier’s glide path; it must have it, otherwise the Premier is condemning Western Australian families to another 25 per cent increase.

I now move to the debt figures. The Leader of the Opposition has made some comments on the debt figures. The Treasurer says that they are declining. Remember, these debt figures are based on everything, including electricity price charges across the forward estimates. Let us go through a few of the commitments by this government that are not even included in the budget papers. There is still a bit of money hanging around to be invested in the Burswood stadium project. However—sorry, member for Riverton—Roe Highway stage 8 is not there.

Ms R. Saffioti: The bulldozers.

Mr B.S. WYATT: The bulldozers are not starting, member for Riverton, but apparently the minister says he is still committed to it. The Perth–Darwin highway is not there. I was particularly keen to see funding for the floating Orrong Road, but that is not there. There is money for the children’s hospital that is outstanding. Only \$22 million of the \$180 million commitment to Royal Perth Hospital is in the forward estimates; that is it. Therefore, we still have coming in —

Dr K.D. Hames interjected.

Mr B.S. WYATT: Careful, Deputy Premier. Therefore, \$158 million is still to come in for that hospital. Where is the member for Albany’s pipeline? Where is the Bunbury to Albany park pipeline? According to the minister, it is in the pipeline! I just do not know how long that pipeline is going to be and whether it is coming down his own pipeline that he is apparently going to build. There is still a commitment to the Eelup flyover; I am not sure where that is. The Ellenbrook transit lane is not there. The Mirrabooka light rail line is not there. The 330 kilovolt transmission line to Geraldton is not there. And interestingly, despite the great fanfare, only \$32 million of the money for Willetton Senior High School is in the forward estimates.

Several members interjected.

Mr B.S. WYATT: The member for Riverton should not trust those forward estimates, he has heard the Premier! He has heard the Premier; he should not trust a word he says. I would love to know what happened to the Fremantle traffic bridge. I do not know what happened to the Fremantle traffic bridge; I cannot understand why that has been taken out of the budget and the forward estimates. During question time I scribbled down a few of those projects, and I could see the Under Treasurer at the back of the chamber, with his hair going grey and his toes curling. What does he have to do to convince this government to present a fair and accurate set of books? He should not worry about it; it is the forward estimates! The people of Western Australian know that. We should not worry about it, because it will all be okay despite the fact that a whole string of projects are still not in the forward estimates, and because the Treasurer says, “Oh, the debt’s falling because we have a future fund. We are all okay.”

I quickly want to respond to one thing the Premier said. We have pursued the issue of those students with autism who were impacted on by the closure of the LEARN Foundation for Autism centre. The Premier today called the opposition shallow in its performance. I want to highlight one thing. The reason the Premier is utterly unbelievable in respect of the cost of living and its impact on Western Australians was his attempt to take 25 per cent compensation from pensioners in Homeswest accommodation. Do not think for a minute that we have forgotten about that. Let us quickly go through what the Premier said on radio on 20 April 2012 in response to a question about whether he thought pensioners would suffer. He said that he did not. He said —

The federal government cannot bring in policies and then after the event try and demand something else.

No, no, no; let us look at “after the event”. I thought I would analyse that a bit, simply because the Premier is wont to say some things that perhaps do not really accord with reality. I thought that surely the Prime Minister and the federal government must have contacted the Premier. On 9 July 2011, after the event, the Premier was on

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the radio saying, “After the event you came to me.” I just want to read two sentences from a letter sent to the Premier by the Prime Minister —

Beyond that, there will be an advance and regular supplement which will generally be paid fortnightly at the same time as a person’s primary transfer payment. The annual value of the supplement will be equivalent to a 1.7 per cent increase in the rates of pensions, allowances and Family Tax Benefit.

I seek your agreement that the additional assistance provided through pensions, allowances and family payments—first as an advance and then as an ongoing supplement—be permanently exempt from being considered as assessable income by housing authorities in setting rent.

Four times in a paragraph and a half the word “supplement” was used, yet the Premier and the Minister for Housing were on the radio on Friday, 20 April saying, “No, I am not. They have actually got it pretty good. We will be taking that money.” According to my notes the Premier said on the radio that the full details were not available on deed and he did not know whether they were available now. This was on 24 April, after his first backflip, when he realised he had been caught out. He said he had responded and that Minister Macklin needed to check her mailbox. There is no response. It is interesting that the Premier is willing to be flippant with the truth when dealing with pensioners in Homeswest properties and compensation payments—it was a compensation payment; not an increase in the base rate of the pension. That is why he is utterly unbelievable when it comes to not just the books and the finances of the state, but also to what he intends to do for the cost of living of families of Western Australia.

I conclude on one point, and this is something else that I am sure the families of Western Australia will be keen to know. Interestingly, for the first time, the Public Transport Authority is being treated not as a general government agency but as a government trading enterprise. At page 308 of the *Economic and Fiscal Outlook*, the Treasurer states —

The following table shows that the Consolidated Account will provide a net subsidy to GTEs of \$473 million ...

However, what is stuck in there is the PTA with \$662 million. Therefore, my questions to the Treasurer and Premier are: Will the PTA be required to get much closer to cost reflectivity? Now that a subsidy is being paid to the PTA and it is not included as a general appropriation, will we see this pressure on the PTA to get cost reflectivity? The families of Western Australia will be very interested in this, because when the Treasurer says that the subsidy is \$443 million, he is incorrect. Electricity and water utilities are paying dividends to the government. When the PTA is whacked in, suddenly there is a different figure. The Premier is utterly unbelievable and the people of Western Australian know it, and they know that the time for a budget that prioritises Western Australians has now come and gone.

MR C.C. PORTER (Bateman — Treasurer) [3.29 pm]: Mr Speaker, the motion —

Several members interjected.

Mr C.C. PORTER: No-one wants to speak but they have telephones going!

The motion today is again about the cost of living, and particularly electricity prices. There has been some focus on the estimates, so why do we not work backwards to forwards and talk about the history of this matter and what has happened over the last several years since 2008–09 and then about where we are today? I think the important starting point is that when the election occurred in 2008, there was a clear policy from Labor about what it would do with electricity prices if it was elected. It was just absolutely unequivocal. That is now referred to by members opposite as the “glide path”; that policy was 10 per cent increases on electricity for at least eight years. For the benefit of members opposite, I will read an article from *The West Australian* of Wednesday, 9 April 2008 —

Mr Carpenter announced the \$780 million in subsidies on Friday, also unveiling a massive 72 per cent cumulative rise in household power bills over up to eight years to reflect the true cost of generating electricity and cover the costs associated with carbon pricing.

The unequivocal policy of the ALP leading into the last election was eight years of electricity price increases at 10 per cent a year.

Ms R. Saffiotti interjected.

The SPEAKER: Member for West Swan!

Mr C.C. PORTER: Mr Carpenter unveiled —