

Inaugural Speech

Dr Mike Nahan, Member for Riverton

13 November 2008

DR M.D. NAHAN (Riverton) [12.33 pm]: I start my inaugural speech in this house by congratulating you, Madam Acting Speaker (Ms L.L. Baker), and all members of this house on their election to this house. It is an honour to be here, and I look forward to many good debates and good work.

Madam Acting Speaker and fellow members, my name is Mike Nahan, and I come to this house as the member for Riverton. The electorate of Riverton is framed by the Canning River in the north, the Canning Vale industrial centre in the south, the safe Liberal seat of Bateman in the west and the safe Labor seat of Cannington in the east.

Riverton is a quintessential Western Australian community—suburban, middle class, aspirational, family oriented and politically pragmatic. The area was first subdivided 40 years ago to accommodate people drawn to the state during the first iron ore boom. It has grown in spurts with each successive boom, including this one. From the start, the area attracted a large number of overseas migrants—first British, then people of Chinese descent from South East Asia and Tamils from Sri Lanka, and in recent times people from India and China. As a result, it has a very large number of overseas migrants and the highest proportion of residents with Asian ancestry across our electorates. Now, as in the past, people are drawn to this area primarily because of its ethnic diversity and tolerance, safe suburban lifestyle, spacious and affordable housing, good transport links and, importantly, excellent public schools. These attributes define and unite the area.

There was a strong, and I believe accurate, view in the electorate that many of these attributes were being allowed to wane. That is why I am here and that is why there was a change of government. It is my task to ensure that these attributes in Riverton are preserved and enhanced—a task I take on with pleasure and honour.

Two concerns stand out in the priorities of Riverton—empowering public schools and completing Roe Highway. The electorate has in Rossmoyne and Willetton high schools the state's top two public schools. They excel academically and in terms of the quality of education. The excellence of these schools is a key reason why people live in the area, and come to the area and stay in the area. The schools draw in those who place a high premium on academic achievement and good public education. While other electorates have seen a massive exodus of students from the public education system, this has not happened in Riverton. Indeed, only 10 per cent of the children from

Riverton attend private secondary schools—less than a third of the rate of comparable areas.

The high quality of public secondary schools and a supportive community have contributed significantly to the quality of the electorate's primary public schools. Nonetheless, the performance of Riverton's schools is being restrained by a lack of funding and excessive bureaucracy. I look forward to working with the government to address both constraints to enable public education in Riverton to excel further.

We must complete Roe Highway. The need for an efficient ring-road through the southern metropolitan area to the port of Fremantle has been known for over 40 years. The route was identified and the land zoned for the route over 30 years ago. Seven stages of the ring road—Roe Highway—have been built with the help of the commonwealth, but it stops abruptly at Kwinana Freeway, clogging the freeway and pushing thousands of heavily laden trucks onto suburban roads each day, endangering lives and health, imposing high costs on shippers and consumers and destroying suburban roads. It was, and it is, a planning bungle of the worst order. It is set to get worse. Even if a substantial share of the port traffic is transhipped by train, truck traffic from the port is set to double over the next seven years, and will remain high thereafter. We must now complete the task with Roe Highway stage 8. This can be achieved while protecting the environment along the route. I look forward to working with the government to achieve this vital piece of economic infrastructure.

My journey to this house is perhaps different from that of most other members. I am, as they say, from the "ideas business". In the past 30 years I have enjoyed challenging work in academia, in the public service, with think tanks in Australia and overseas, in consultancies and in the media as an economist, policy analyst and commentator.

I never aspired to be a politician, even though my work often brought me into the political sphere. But times have changed, and my commitment to Western Australia convinced me to throw my hat in the ring. The transition to politics will be interesting, but it will not be a case of abandoning ideas for politics, for I am determined that the two shall not be mutually exclusive. It is my intention to use my experience and skills to help ensure that we in the Liberal Party keep true to our values and combine good policy with good government and good politics, and principle with pragmatism.

I am a Liberal—a classical Liberal—not from birth or social affiliation, but from the observation of what makes for a good society, from a belief in the rationality of free men and women, and from a belief that accumulated power tends to be abused. I believe in the natural right of individuals—that people should be free to choose to work, pray, play and shop, and that people should be allowed to own and enjoy property willingly and of their own volition, as well as the fruits of their own labour. Respect for these rights is, I believe, the foundation of good society and good government. I also believe that with freedom comes responsibility; that is, the right to choose must come

with the responsibility for the consequences of one's choices. Rights and responsibility are two sides of the same coin. Too often, and with tragic consequences, rights have been allowed to be divorced from responsibility. Of course, there are limits to individual freedom. Freedom is not absolute and in its nature must respect other peoples' freedom. Within the limits of humane society, we must take responsibility for ourselves and for our community.

I believe that open, competitive markets, although imperfect, and, at times like now, volatile and harsh, are the best means of allocating resources, creating jobs and wealth, ensuring freedom and prosperity and preserving the environment. The growth in wealth and prosperity around the world over the past 20 years, which has produced the largest movement of people from poverty in human history, is testament to the benefits of economic freedom. Australia has just gone through the most protracted period of sustained economic growth in its history, led by Western Australia, thanks primarily to the market-based reforms introduced by state and commonwealth governments during the 1980s and 1990s. The recent collapse of world markets has understandably cast doubt on markets and economic freedom. However, it would be a serious error for us or governments generally to reject open markets for greater government control and ownership. The current malaise was brought about in part by regulatory failure, both in government and elsewhere.

I am a migrant from America married to a migrant from Malaysia. I came to Australia out of choice and knowing what the rest of the world has to offer. I have spent my life wandering the world and Australia, both physically and mentally, trying to understand what makes for successful government, how different governments solve problems, what works and what does not work. The issues and challenges facing this house are not unique. The world is a vast laboratory, which we must explore and learn from if we are to reach our potential.

The Western Australian economy thrives and wanes on the strength of its global links. Indeed, Western Australia is one of the most globalised economies in the world. We must be global in our focus and cognisant that the world is an intensely competitive place that rewards success greatly and treats failure ruthlessly. Western Australia is blessed with large resource wealth, but so are many other places. Indeed, our advantage springs more from our openness to markets, rule of law and entrepreneurship than from our resource base.

I am a sceptic of large government. While governments play an essential, indeed pivotal, role in creating and sustaining a good society, they have an inherent tendency to interfere when they should not, to do what they should not, to act when they should not, to tax too much and to regulate too much and poorly, and they have an innate incapacity to comprehend the consequences of their own actions. Markets do fail, and they are failing badly around the world now. Governments also fail, and their failures are often more pronounced and devastating than that of markets. The tendency for

governments to do too much and to interfere too much not only harms people, businesses and families, but also distracts them from the real priorities. Large government is too often essentially a smokescreen for inaction on difficult priorities.

I know from my very brief period as a local member that the demand for more laws, regulations and money from the public is unrelenting. Saying no, as Sir Humphrey would say, is electorally “courageous”. However, at times we must say no, so that we can say yes when it really counts.

I am an optimist. To me, the future, particularly in Western Australia, is filled with boundless opportunity limited only by our imagination, desire and willingness to work hard and smartly. I am a baby boomer, a member of the luckiest generation that has experienced opportunity, wealth and peace only dreamt of by previous generations. I was born of parents of the best generation—the generation that was young during the Great Depression and came of age in World War II. They knew the pain of tough economic times and the horror of war. They also knew firsthand that adversity could be overcome and prosperity and peace achieved through hard work. My parents instilled this belief in me.

Like other members, I have witnessed firsthand nations and states with seemingly insurmountable problems transform themselves. I have watched in amazement as China rises out of poverty, war and dysfunctional despotism. I have watched Singapore, South Korea and Taiwan transform themselves from poor, war-torn colonies into First World economic dynamos. I have watched Victoria rescue itself from being a rust-belt state. People, governments and societies are capable of incredible things if they are allowed and have a mind to do it.

Western Australia has huge potential. It has the resources, the people, the firms, the links to world markets, a good reputation, good but stretched infrastructure and a world-class quality of life. It has the potential to be one of the most prosperous and vibrant places on earth.

We are heading into the most challenging economic time since my father’s generation. The recession that is unfolding around the developed world will hit us in Western Australia. We will not be fully shielded by China. This will be a huge shock to the electorate. The last election was waged in a boom mentality, with the dominant theme being how to redistribute the largesse created by the boom. The boom is now over. We are entering a period of rapidly declining growth in wealth. State revenue is falling and demands for assistance will rise. Fiscal stress will be a reality. We can already see the change in budgetary positions in the eastern states. We will face difficult times. It will require tough choices and real leadership. It will require an emphasis on getting value for money and a focus on the priorities of health, education, public safety and transport. However, the economy will recover.

In the difficult times ahead, we must continue to plan for the time when the funds flow again readily into resource development. We must continue to focus on improving access to land and resources, building economic infrastructure and developing Perth as a regional services and research centre for the resource sector. During the boom, many were lulled into taking economic development for granted. It would be an even greater error during the difficult times ahead to not give economic development top priority. We often forget it, but economic development and growth are the foundations of a vibrant, sustainable society. Growth creates wealth and opportunity. Wealth and opportunity create the capacity and desire to protect and enhance the environment.

The essential building block of society is the family. Society's definition of the family is becoming looser and more flexible. Governments are responding and interfering more in the definition, rights, responsibilities and choices of families. These are some of the most difficult and pressing issues awaiting us. It is my view that governments interfere too much, particularly in the provision of welfare. These actions are undermining the strengths of families and augmenting, if not creating, many of our most pressing issues.

For many years, I have written and spoken in favour of federalism. Governments need limits. A vast country like Australia, with its great variety of people, industry and resources, needs variety in government. Multiple layers of government give rise to the need to allocate resources and responsibilities amongst governments. Australia's founding fathers recognised this and founded a federal constitution with defined roles and responsibilities for the states and the commonwealth. I believe the original allocation fits this nation well even today. The Constitution, however, was flawed. It gave the commonwealth access to an excessive share of taxing powers. As Alfred Deakin warned in 1902, the Constitution left the states —

... legally free, but financially bound to the chariot wheels of the central government. Their need will be its opportunity

The states have become financially bound to the commonwealth as Deakin predicted. Contrary to Deakin's prediction, the states have also lost freedom and responsibilities. The impact on the status and performance of the states has been profound and negative.

[Member's time extended.]

Dr M.D. NAHAN: It has allowed the commonwealth to: intrude where it should not; accumulate funds for itself; redistribute funds according to its political interests, rather than the needs of the economy and the wider community; and leave the states dependent on handouts and a dysfunctional set of taxes. This has undermined our system and the quality of government. The states have not been innocent victims. Too often they have acquiesced, taking Joh Bjelke-Petersen's view that the only good tax is a commonwealth tax. The states have often failed to innovate in the delivery of

services, creating scope and demand for a commonwealth intervention. Too often, the states have lost without contest the battle of ideas.

I hope to work with members on both sides of the house to reform and repair our federal system. It is up to this Parliament, in my view; we in Western Australia must take the lead. We have the most to lose. Western Australia's share of goods and services tax revenue is set to decline precipitously over the next few years, just when we need it most. Of course, we cannot do it alone. It will be very difficult to do, and it has been tried before. But it is a task that we must pursue with vigour, innovation and persistence. If we fail in this challenge, this Parliament will become but an appendage of the commonwealth and our electorate will be the worse for it, as will the nation. The focus of reform, in my view, should include this Parliament and the way it is formed. It might seem presumptive for a new member such as me to argue the case for change, but bear with me. I would like to have a debate on mandatory voting. Although I recognise that it is a firm feature of Australia's democracy, mandatory voting does, in my opinion, allow political parties to rely on compulsion, rather than persuasion. It allows parties to take people for granted. Even more radically, I suppose, I think it is also time to have a debate about the structure of our Parliament; specifically, do we need a bicameral system anymore? Should the Legislative Council be retained; and, if so, should it be converted into a house of review with part-time members appointed for their expertise, rather than their political affiliation, such as the House of Lords? The Parliamentary Education Office and the Constitution Centre do a great job in informing people of our system of government and I congratulate them. I believe debate about its renewal will give people a greater sense of ownership of the system.

I was raised on a dysfunctional hobby farm in the backblocks of Michigan, where I grew up one of 13 children. Life in that large family was colourful and chaotic, as life in large families can only be. It gave me an affinity to people on the land, an aversion to hard physical labour and a love of nature, and it also drove me to see the world. My Catholic upbringing instilled in me a belief in the sanctity of life, the innate goodness of people and the need to help my fellow man, particularly those less fortunate than me.

I admire many political leaders but two local lads from the bush stand out as those I hope to emulate; namely, John Hyde, the one-armed pundit from Dalwallinu, and Peter Walsh. Both men forcibly stuck to their principles in the party room and caucus. They provided leadership and ideas, gave backbone to government, shared a passion for good policy and were committed to their communities.

I thank the Liberal Party and the people of Riverton for the trust they have placed in me. I am well aware that the people of Riverton have put me on a short leash. Many people worked to get me here, and I cannot thank them enough. I was amazed and humbled by the number of strangers who offered to help me. I refer to not only members of the Liberal Party and those who live in my electorate, but also those who are not members of the Liberal Party and who do not live in my electorate. I thank

them all and promise to honour their efforts. In particular I thank John Corser, who gave me advice and guidance; Mike Goddard, for his friendship and time; Harold Clough, who in his own way urged me to have a go; and, Willy Packer, for his enthusiasm, amongst other things. I could not and would not have taken this journey without the love and support of my wife, Nyuk, who is in the public gallery, and our children Keavy and Key. True to form, Nyuk has deleted my words of appreciation for her from my speech.

I commit myself to represent the people of Riverton and to contribute to the wellbeing and growth of the great state of Western Australia.

[Applause.]