

FIRST HOME OWNER GRANT AMENDMENT BILL 2009

Consideration in Detail

Clause 1 put and passed.

Clause 2: Commencement —

Mr M. McGOWAN: Clause 2 sets out the commencement date for the First Home Owner Grant Amendment Bill 2009. Clause 2(b) deems that section 3 and part 2 of the act will have come into operation on 14 October 2008, which is, as we know, roughly six months ago. The remainder of the legislation will come into effect at other points in the future; however, this part of the legislation is to come into effect six months ago. Obviously there must be a reason and I am interested to know why part of the legislation is deemed to have been in effect for six months and yet other parts will not come into effect until subsequent to the legislation receiving royal assent.

Mr T.R. BUSWELL: My advice is that 14 October is the date the federal government announced its boost package, which package is, as I recall, an additional \$7 000 for first home owners purchasing an existing property and an additional \$14 000 for those purchasing a new property, bringing the first home owner grant total figures to \$14 000 and \$21 000 respectively. My understanding is that the retrospective—if I could use that term—or the deemed operation of section 3 and part 2 on 14 October reflect the effect of the commonwealth announcement.

Mr M. McGOWAN: It might seem like *deja vu*, but last Tuesday we asked the Treasurer why parts of legislation come into effect on the day after they receive royal assent, and he said that that was something that happens and that he could not provide us with a reason. In the light of the week that has passed and the interesting time that we had during consideration in detail last week, I am wondering if the Treasurer can provide us with advice on why parts of the legislation come into effect on the day after royal assent, other parts of the legislation come into effect on the day of royal assent and other parts of the legislation come into effect on the day of proclamation.

Mr T.R. BUSWELL: Unfortunately in the hurly-burly of last week I was unable to obtain a formal answer to that question. I am now able to provide the following advice: it is now the standard format that parliamentary counsel have inserted into bills, as the Leader of the House pointed out to me last week. I will provide that information—unfortunately I do not have it at the moment. I must have got caught up in the excitement of last week's debate on the Treasurer's advance.

Mr M. McGOWAN: I am interested in this because we did ask last week and the Treasurer said that it is now standard practice for legislation to come into effect on the day after royal assent. However, as we note, there are four separate times on which this legislation comes into effect, depending upon which section of the legislation we are dealing with, so it is not standard practice. It is standard practice for some clauses.

Mr T.R. Buswell: My apologies.

Mr M. McGOWAN: The Treasurer might want to examine why it is that some parts of the legislation come into effect on some days and some parts come into effect on other days. It is an interesting question: why is that now the case and what is the rationale behind that?

Clause put and passed.

Clauses 3 to 9 put and passed.

Clause 10: Sections 14AA to 14AE inserted —

Mr M. McGOWAN: Obviously this is the clause in which we are going to move an amendment to the legislation, which I hope that the government agrees to. Before I do, I am interested in the issue of eligibility under the legislation for this first home buyers grant considering the fact that, as I suggested to the Treasurer last week, it would be a good idea if this grant, in the current economic circumstances, was continued after 30 June. Naturally, if it is not, there is a significant issue for people based around when they purchase their house. Naturally, as anyone who has bought a house well knows, there is a range of issues and delays involved with buying a house. It is not clear to me exactly at what point one has to have signed an agreement in relation to the original contract. Is it at the point of final settlement? If one has a contract entered into at 11.59 pm on 30 June, does that mean that a person is eligible, even though settlement may occur some time after that?

There are a range of permutations and, as we all know, people come into our electorate offices with issues surrounding the timing of this legislation and the according eligibility. I am interested in what is required for someone to be eligible for the grants under the legislation. There is a range of issues depending upon whether a

Mr Mark McGowan; Mr Troy Buswell; Mr Paul Papalia; Mr Tom Stephens; Dr Mike Nahan; Mr Vincent Catania; Acting Speaker; Mr Bill Johnston

person is building a home, purchasing land on which to build a home, purchasing an existing home or purchasing a spec home. Naturally, all of us would like to be able to answer those questions from people who come before us to complain at the due point if the grant does not proceed after June 30. We are interested in the Treasurer's advice on, first, the eligibility of a person who is buying an existing home from another person and who is engaged in a contractual discussion. That normally involves a range of offers and counteroffers before an agreement is finally reached. In that case, I am interested in at what time one is held to have purchased the home to be eligible for the \$21 000 grant under the legislation?

Mr T.R. BUSWELL: I will read out some of the advice I have and then refer to the First Home Owner Grant Act 2000. I will make a comment on extension of the boost beyond 30 June. I have recently written, on behalf of the government, to the federal Treasurer and put an argument that we support the extension of the federal government's boost package for first home buyers past 30 June. There is clear evidence that the boost has had an impact on first home owner activity in Western Australia, and it would be handy for the state's economy and first home buyers for that to be extended.

As I understand it, what we are talking about here is the extra \$7 000 or the extra \$14 000. To be eligible for \$7 000, an applicant must enter into the contract to purchase the established home between 14 October 2008 and 30 June 2009. That is for established homes. To be eligible for the \$14 000 to purchase or build a new home, or own and build a new home, an applicant must enter into the contract between 14 October and 30 June. For an owner-builder to be eligible, that person must commence construction of a new home between 14 October and 30 June. Issues around commencement of construction are those defined in the First Home Owner Grant Act 2000. The "commencement date", by definition, at section 14(5)(b) states —

in the case of the building of a home by an owner builder —

- (i) the date when laying the foundations for the home begins; or
- (ii) another date ... the Commissioner considers appropriate in the circumstances of the case.

That means that commencement will be from the date of the laying of the foundation, in the vast majority of cases.

Mr M. McGOWAN: I thought I followed the Treasurer—until his last comment. My understanding of what he said is that people are eligible for the first home owners grant when buying an existing home when they reach an agreement —

Mr T.R. Buswell: To enter into a contract, yes.

Mr M. McGOWAN: — under the Real Estate Institute of WA proforma contract, which is basically when the price is agreed on with the vendor. However, at the conclusion of his answer the Treasurer said that it was at the laying of the slab —

Mr T.R. Buswell: That is for an owner-builder.

Mr M. McGOWAN: Must the slab have been laid before 30 June for the owner-builder to be eligible, rather than the owner-builder having a contract to lay a slab? Some considerable unfairness could occur in that case, because speaking as someone who has had work done on his house recently—I have also been to Northbridge recently; it was quite an experience—the work does not necessarily happen on the day it is supposed to happen. Let us say an owner-builder has the slab laid on the day after the concreters tells him they will be laying the slab, the day after 30 June. That owner-builder, according to what the Treasurer has just told me, would be ineligible for the \$14 000 grant.

Mr T.R. Buswell: Proposed section 14AA(1)(b) of the First Home Owner Grant Amendment Bill 2009 states —

in the case of the building of a home by an owner builder —

- (i) the date when laying the foundations for the home begins; or ...

Laying the foundation is the slab, as I have been informed —

- (ii) another date (on or after 1 July 2000) the Commissioner considers appropriate in the circumstances of the case.

Without trying to pre-empt what the commissioner may or may not do—it would be foolhardy for a Treasurer to even attempt to consider that—I imagine that the act gives the commissioner some flexibility to deal with unique occurrences as they arise.

Mr Mark McGowan; Mr Troy Buswell; Mr Paul Papalia; Mr Tom Stephens; Dr Mike Nahan; Mr Vincent Catania; Acting Speaker; Mr Bill Johnston

Mr M. McGOWAN: That obviously means there could be some injustices in that case, but the Treasurer is hoping that the commissioner will resolve them by providing some exemption in the types of cases I outlined, whereby a slab is expected to be laid, but is not —

Mr T.R. Buswell: If you're an owner-builder.

Mr M. McGOWAN: If the person is an owner-builder; is that right?

Mr T.R. Buswell: I have always found the commissioner to be a man of reason.

Mr M. McGOWAN: I move —

Page 12, line 30 — To delete the line and substitute —

- (a) in relation to a home south of the 26th parallel of South Latitude, \$750 000; or
- (b) in relation to a home north of the 26th parallel of South Latitude, \$1 000 000; or

I outlined to the house during my contribution to the second reading debate the rationale behind this amendment. As the Treasurer knows, I put this amendment on the notice paper because it is a serious proposition to amend the legislation, and I had the amendment drafted in accordance with what is the ordinary drafting procedure when dealing with lines of latitude. I am advised that this is the correct formulation of words when dealing with lines of latitude in accordance with other pieces of legislation. The idea is that above the twenty-sixth parallel—I have a map to demonstrate where that is—which is at Shark Bay —

Several members interjected.

Mr M. McGOWAN: I appreciate the advice of both my country colleagues —

Mr T.R. Buswell: I'm not sure there would be many houses at Wingellina, with the greatest of respect. I do not think those houses would be pushing up on the value.

Mr M. McGOWAN: The twenty-sixth parallel—I am sure Hansard will get this—sort of runs across Useless Loop at Shark Bay, just south of Denham, and runs through —

Mr T.G. Stephens: To the surveyor's corner —

Mr M. McGOWAN: —to Wingellina, but I have a feeling that Wingellina might be slightly south of the map. It looks like about a quarter of a millimetre, so that is probably about 100 kilometres —

Mr T.G. Stephens: The map is wrong!

Mr M. McGOWAN: The twenty-sixth parallel—apart from Denham on the coast and Wingellina on the Northern Territory border—is pretty well devoid of major settlements. I do not mean to denigrate anyone who lives on the twenty-sixth parallel. In any event, there it is, roughly, I suppose, somewhere between a third and a half of the distance —

Mr P. PAPALIA: I find the cartographic skills of the member for Rockingham enthralling and I would love to hear some more.

Mr M. McGOWAN: The member for Warnbro, of course, can actually read a map, unlike virtually anyone else in this chamber. If I am educating him, God help the Navy!

That is the position of the twenty-sixth parallel. As members can see, north of there is the Pilbara, the mid-west and the Kimberley. It is our view that housing in communities to the north of that location is often more expensive than housing in communities to the south.

As I outlined during the second reading debate, the opposition is not trying to say that if people want to buy their first home in Applecross, Cottesloe, Peppermint Grove or Shenton Park, the threshold should be lifted. However, I think it is a matter of obvious commonsense that people purchasing houses in communities to the north of the twenty-sixth parallel are not choosing to do so because they are choosing one suburb over another, as people might do in the suburbs of Perth; they are choosing to do so because that is where they live, or they have a job, or the like.

The opposition's proposal will not cost a lot of money, and it reflects the cap in Queensland, which is \$1 million; the cap in New South Wales is \$750 000. The amendment means that for homes above the twenty-sixth parallel the grant should reflect the Queensland model; and for those below the twenty-sixth parallel, it should reflect the New South Wales model. Queensland cannot do that because it has very heavily populated communities throughout its length and breadth in which house prices all differ. For instance, south of Brisbane there are communities in which the \$1 million cap might be appropriate; within Brisbane are suburbs where the \$750 000

cap might be appropriate; then, heading further north, there are communities where \$750 000 is appropriate, although \$1 million might be appropriate north of Cairns. It is a tough question in Queensland, so accordingly it just made the amount \$1 million.

In Western Australia it is pretty obvious that the communities in the north of the state often have much higher house prices than the communities in the south. As we all know, Port Hedland, Karratha, Newman, Broome—even Kununurra, according to the figures I have seen—have median house prices higher than the south west corner—higher than Bunbury, higher than Perth and higher than the towns of the south west. It is fair that we give those people a better opportunity to access this grant when they purchase property that is of a higher value than property in the southern part of the state. I am pleased that the members for North West and Pilbara suggested this idea to me. It particularly impacts on their communities, and whilst it is not a huge issue, it would certainly improve the legislation.

As I quoted to the house the other day, according to REIWA the median house price in 2008 in the Pilbara was \$615 000. In Karratha, of course, it is more than \$800 000—way above the cap. A first home buyer in Karratha cannot buy a house of median value and stay under the cap, whereas first home buyers in Perth can easily buy a house of median value and obtain the grant. That is unfair. The opposition is asking for the cap to be raised for those communities in the north. We should not be too particular; we should not try to draw circles around some communities and cut some out. It will cost very little money, but it will create an element of fairness for the Pilbara, the Kimberley and the mid-west if the government were to adopt the model suggested.

The government asked us to acquire information the other day. I am not sure whether that has been done, but I think it is pretty much a no-brainer that the proposed amendment is an improvement to the legislation. We have done it in the right way, and the government should support it.

Mr T.G. STEPHENS: I will largely resist the opportunity to talk to members about the twenty-sixth parallel and the point at which it intersects with the Northern Territory-South Australian border at Surveyor General's corner. It is an interesting story. That boundary has been surveyed a number of times. If houses had been built there prior to the turn of the century, they could have found themselves on either side of the moving mark, not on the twenty-sixth parallel but, rather, on the border dividing the Northern Territory, South Australia and Western Australia—128 degrees plus something. All members would know that that point was determined by one of the great popes right back in time when he was dividing up the world between the Spanish, Portuguese and Dutch influences. He apparently ended up gifting to us that boundary between the east and the west. I do not know whether it is the same boundary that was finally adopted.

Mr M. McGowan: Which pope?

Mr T.G. STEPHENS: I have forgotten the name of that pope. I can rattle off the first 24 if that will help the member. His name starts with Peter.

Wingellina is just a couple of kilometres from Surveyor General's corner. The map is inaccurate insofar as it would mislead the reader into thinking that it was 100 kilometres away. It is a very interesting location, however unlikely it is to be impacted upon by this legislation.

I have taken the invitation that the Treasurer gave to me last week seriously. I have had the support of an active team in my office in South Hedland. They have been hounding the local real estate agents to get figures that might be of interest to the Treasurer if he is still of a mind to be persuaded by the argument before the house. As he indicated to the house, we are unlikely to be dealing with big numbers. We are not likely to be dealing with sheep stations; we are dealing with small numbers. After contacting the various real estate agents around South Hedland, we came away with some interesting figures for the record. A new real estate agency has been set up by Ryan Crawford called Crawford Realty. He has been in the town for about five years but he got this business going in the past 18 months. He suggests that there were four first home owners in the last month, and that there have been about 40 a year in that town. We are just talking about first home owners rather than those necessarily caught by the cut-off dates. Hedland First National, a longer term business in that town, is well run by Morag Lowe, who is well known to members of this chamber. I think the member for Warnbro knows the Lowe family well. I will leave that story for another time. Morag told us that there have been two first home owners a month—15 to 20 this year. Jan Ford from Jan Ford Real Estate estimates that there have been eight first home owners a month. Ray White Real Estate was not as quick in getting the information. Interestingly enough, not a lot of the agents were able to throw light on the specifics. From the educated guesses consensus up there, we are talking about 140 first home owners for 2009. All three of these businesses were wildly enthusiastic about the amendment that we proposed to move. I am probably exaggerating. I get wildly enthusiastic knowing some of those real estate agents. If their left eyelid blinks, they might be described as being overly excited.

Mr T.R. Buswell: Is that from talking with you?

Mr T.G. STEPHENS: They are very quiet, measured people who go about their business professionally. They are good real estate agents in that local community and they serve the community very well. They are of the view that the Hedland community, and the Pilbara community more generally, would benefit if this amendment was accepted and if the Treasurer can be persuaded.

Mr P. PAPALIA: I would like to hear more from the member for Pilbara.

Mr T.R. Buswell: Member, you have convinced me, and we will support the amendment. I do not want to stymie your contribution but I just thought I'd let you know that in advance of where you will end up.

Mr T.G. STEPHENS: I do not need to go on for 13 hours in order to persuade the Treasurer. I am pleased to hear the Treasurer indicate that he has been persuaded. I thank the Treasurer. In my experience in Parliament, governments are not always open to amendments. I am pleased that he will accept this amendment. There are benefits for the Pilbara region and the Gascoyne and the Kimberley—the north west generally. The people who are moving into the Pilbara community or who are part of the Pilbara community, where the median house price is quite high, could lose the opportunity to access the benefits that come from being first home owners if this cap were applied rigorously within this region. The income levels of the people involved are quite high, especially those working in the resource sector. The income levels are much lower for people outside the resource sector. It is a real challenge. It would be a pity if the people who have the benefit of good incomes were cut off from the opportunity of settling into their own homes. Some of the traineeships are quite well remunerated, after which they move on to full-time employment. With industries alive with activity, the first home owner industry is incredibly vibrant in that region. Large amounts of land for the residential home market have come on track. We need to give first home buyers a bit of leeway so that the purchase price is closer to the mark when they respond to opportunities in places such as Port Hedland and Newman, where the market is quite hot. In other parts of the region the property market does not deal in such large volumes, other than in the areas that the member for North West, our man on the ground, is more able to speak about than I.

I am pleased that the suggestion for this amendment came through from the member for North West. I am delighted that it has found favour with my opposition colleagues. From the Treasurer's interjection, it would appear that this amendment will be carried without great difficulty. I commend those involved in producing this outcome.

Dr M.D. NAHAN: I would like to comment on this amendment. I think it is a very poor amendment on a range of grounds. First, I will start with equity. We are talking about giving up to \$21 000 worth of taxpayer subsidies to people who either have \$1 million or who can raise \$1 million in debt. I do not think that was the focus of the first home owner grant. Most people who would be defined as first home owners, whether they live in the north or the south, would not have access to \$1 million investment capital. The only people I can think of who would be people who migrate from overseas who are buying not their first home but their first home in Australia. I do not think there are grounds for equity. I ask members opposite to go back to their constituents and tell them that they are giving subsidies to people who are millionaires. That cannot be justified on equity grounds.

Second, the cap is not very well targeted. The evidence is that where the supply of land is constrained significantly, first home buyers do nothing more than bid up the price of land equivalent to running transaction taxes in excess of the first home buyers grant, so therefore the beneficiaries are not the first home buyers at all.

Mr V.A. Catania: Have you been up to the north west?

Dr M.D. NAHAN: Many times. The beneficiaries of this cap are not first home buyers but the people who sell them the land or the house. Let us not fool ourselves that this will benefit first home buyers because they come out of this with largely more additional debt than the first home buyer grant, if we take into consideration the conveyancing fee in particular. In fact, they come out even worse if they have to borrow because they have additional borrowings.

Another problem with this amendment is that it will fix the price of land in the north. We heard on Thursday from the member for Pilbara that the median house prices are in excess of \$800 000. Nothing could be a greater deterrent to the growth of the north and to people moving to the north than house prices exceeding those of Nedlands. This amendment asks to recognise that and bolster it. Why would we do that? Our aim must be to reduce the cost of building and owning houses in the north. Why did these house prices in, for example, Port Hedland get so out of whack? It costs a lot of money to build houses —

Mr T.G. Stephens: It's called a market.

Mr Mark McGowan; Mr Troy Buswell; Mr Paul Papalia; Mr Tom Stephens; Dr Mike Nahan; Mr Vincent Catania; Acting Speaker; Mr Bill Johnston

Dr M.D. NAHAN: Markets can be distorted, and I will show the member how it was distorted in this case. It costs a lot of money to build houses in Port Hedland, and one reason is that Port Hedland does not have the scale and volume and it does not have enough people building houses. The Western Australian Planning Commission carries out a quarterly review of land development. In the five years to 2006-07, only 46 blocks of land were approved in the area.

Mr T.G. Stephens: What dates?

Dr M.D. NAHAN: Between the years 2002-03 to 2006-07.

Mr T.G. Stephens: They were the worst years.

Dr M.D. NAHAN: Yes, and that is why the prices are high. The 300-odd lots released last year were grossly inadequate. We have had a government-induced constraint on land in the north, which has led to inflated house prices, and this proposed amendment will lock in those inflated house prices. It is inequitable, it will hurt the development of the north and it will not help first home buyers in the north or anyone else, except the people who will sell the land and capitalise on the gains of recent times. I think this is an inappropriate proposal from the points of view of equity, development and distribution, and I urge members to not support it.

Mr T.G. STEPHENS: It is interesting when one hears a member make observations with which one can agree, but then still disagree with his conclusion. I agree that a lot of what the member said is right. The land release program is not fast enough, but nothing was fast enough to catch up with the speed of the development of China. China did not even know what it was doing when it unleashed that. The doyens of the free market—BHP Billiton and Rio Tinto—have all been caught on flat feet, and it should be no surprise in hindsight that the governments of China and Western Australia were not filled with as much alacrity as we would have liked. Hindsight is a great virtue. In 2003, it was possible to buy houses in that community at very low prices; there was so much housing available at such minimal prices. It has all happened very quickly, very recently, and will continue in the near future. Some of the biggest land developers in the area are the people of Western Australia—the government, LandCorp, and the Department of Housing. Development was put in train belatedly, but there is now an opportunity for the government to build on it. It is not only in Port Hedland, but also in places such as Newman and Karratha that the land situation is dramatically changing. It is also the case that the money will, by and large, change hands; it will go from first home buyers to people buying their blocks from the Department of Housing and LandCorp so that they can build their first homes in those communities. Just because a person wants to live in a town, perhaps where he grew up, and now has an opportunity to undertake training, the capacity to borrow does not make him a millionaire who will receive help from this process. That is the failure of logic that the member for Riverton has delivered to the house. People may have received training and be in employment, and be standing on the bottom rung of doing quite well, but anybody these days who is prepared to throw himself into training and employment in the Pilbara will ultimately be a millionaire by virtue of the opportunities available within that region. However, first home owners are, by and large, people who are committing themselves to a region where their skills are needed, and we are dealing with very small numbers of people. However, they are small numbers in communities where small numbers matter.

We have taken some hits in the Pilbara, from losses of both small and large projects. When small numbers of people leave a small community, it is noticeable. The closure of the BHP Billiton plant was an example. The loss of a relatively small number of employees from a community made a very big impact. Communities lose their young folk because they might be tempted to take out a first home owner's grant in the metropolitan area, where the median house price is lower and the caps therefore work in their favour. They may be tempted to buy a home in the metropolitan area and become part of another community, but it will be to the loss of the community from which they have moved, where their knowledge of the north is needed and their skills and engagement in the industries of the north are vital. This is an odd state, but it will become odder if it does not develop the flexibility that would flow from accepting this amendment.

Dr M.D. NAHAN: I agree with a lot that the member for Pilbara says, and I think we share the same aim of ensuring that an increasing number of people will be able to move to the Pilbara or to stay there and enhance its development. I think most members share that aim. My point is simply that expanding the first home buyer's grant to \$1 million, in the north or anywhere else, will tend to lock in the existing housing prices and act as a barrier to development. The member mentioned the fact that the repeated experience in the north is that when a project declines, people leave communities. If one looks at the population composition data of, for example, Karratha, one can see that, increasingly, mature aged people with kids in high school are leaving and that there has been an increase in the fly in, fly out population. The member for Pilbara has lamented this fact; I can understand why, and I support his lament. However, nothing could increase the number of fly in, fly out workers more, or ensure that the numbers grow rather than shrink, than to lock in house prices at the levels they are now. Why would people live up north if they could live in my electorate of Riverton, for example, in a similar or

slightly better house for \$450 000, send their kids to the best public schools in the state, and live within 20 minutes of the airport? House prices are the major impediment to attracting people to the north. I might add that there is another issue. China's economy is booming, and that is good. The evidence is that iron ore expansion will continue for a while, but the member for Pilbara knows—he has represented the region for many decades—that that market is extremely volatile.

Mr T.G. Stephens: The prices are volatile, but the volumes have never decreased.

Dr M.D. NAHAN: The prices are extremely volatile, and we could be inducing people into a market in which they take large capital losses. If that is all borrowed money, it presents a problem. If it is their own equity, because they are quite wealthy in comparison with other first home buyers, it is not a big problem; they take a punt. Members opposite have forgotten what this legislation is meant to do. It is meant to help people on modest incomes, our children, who do not have the financial resources to get into a new home. I cannot see how a million-dollar property could justify that. They are not millionaires if they have to borrow a large amount of it, but they have to have access to a substantial income to access a loan of the magnitude of \$800 000 or \$900 000. That is above the amount that is really aimed at as the purpose of this program. We should do what the Minister for Regional Development announced last week with the injection of \$23 million into Port Hedland for the purpose of increasing the number of dwellings by 600. That is where we should focus our effort, rather than giving a subsidy for first home buyers, particularly wealthy ones, wherever they live.

Mr M. McGOWAN: Considering that this is my amendment, I feel I should respond to the member for Riverton. Considering that the member for Riverton has put his opposition to the amendment on the record, and he has the capacity to cross the floor, I look forward to him doing so, because that is entirely within his capacity. I also look forward to the Treasurer's rebuttal of the arguments put forward by the member for Riverton. The member for Riverton is basically advancing an argument that the grants to first home buyers are not a valid or reasonable expenditure of public money, no matter how much the amount is, on the basis that they increase the price of the properties those involved are purchasing. The argument is therefore advanced that it is a windfall gain to the vendor of the property, and therefore all we are doing is inflating the prices of the houses people are purchasing throughout Western Australia. The argument that he is only addressing properties to the value of \$1 million as opposed to those of \$750 000 is not valid. He is addressing the whole basis of the scheme we are dealing with at the moment. A person purchasing a \$1 million property in Port Hedland or, more importantly and more likely, in Karratha, is not likely to be any richer than a person doing so in Perth. It is just that the price of property is so much higher in the north west of the state.

The member for Riverton fails to recognise that this scheme has been responsible for the success of the housing market, and its present boom situation. As I recall, the figure for first home buyers or builders is very high at present. It may even amount to around 50 per cent of all property transactions. This scheme is largely the reason for that. If we did not have the scheme, and we followed the model suggested by the member for Riverton, which is no scheme of this nature at all because it pushes up prices, we would not see that level of activity in the market place, and a lot more people would be out of work. I understand the argument that the member is running, but that is the consequence. The logical flow-on from the member's argument is that higher stamp duties would actually suppress prices, and therefore prices for purchasers can be reduced for those first entering the market place, and speculation suppressed, by raising stamp duties.

The member has made some reasonable points in response to this amendment, but he has ignored two things. The first is that the scheme has been responsible for the current boom in building in Western Australia. Were it not for that boom, hundreds and perhaps thousands of Western Australians would be out of work, and fewer people would have the courage to actually purchase a home. Secondly, the member has failed to recognise the innate unfairness of the fact that prices are higher in the north west of the state. It is unfair to people who are buying a house in the north west of this state to say that the cap should be the same there as it is in Riverton, because the houses are more expensive. We are trying to remove that innate unfairness and create a bit more fairness. The commonwealth-state agreement says that the cap should be a minimum of 1.4 times the median house price for the capital city. In the case of Karratha, the cap is not 1.4 times. We are actually not going high enough in terms of the commonwealth-state agreement. The cap should actually be at \$1.2 million or thereabouts, perhaps even more. However, in the interests of creating a reasonable scheme, consistent with that in Queensland, in the north of the state, we have gone for a reasonable figure. That is what we are doing. I am pleased to see that the government will agree with this amendment. I look forward to the member for Riverton, in accordance with the Liberal Party constitution, as I understand it, crossing the floor, as is his right.

Mr V.A. CATANIA: I obviously support this amendment, as I said in my contribution to the second reading debate. The amendment covers the whole of my electorate, which starts at Shark Bay and goes up to Karratha. It is a good amendment that reflects what is actually happening in my electorate, particularly in Karratha, where

Mr Mark McGowan; Mr Troy Buswell; Mr Paul Papalia; Mr Tom Stephens; Dr Mike Nahan; Mr Vincent Catania; Acting Speaker; Mr Bill Johnston

the average house price is well over \$750 000. The government has indicated that it will support this amendment. I am quite amazed by the comments of the member for Riverton. I will ask the member a question if that is okay. Does he believe in royalties for regions?

Dr M.D. Nahan: Do I believe in it? It is a program that exists, as I understand it.

Mr V.A. CATANIA: Does he support it.

Dr M.D. Nahan: I just mentioned one of the programs.

Mr V.A. CATANIA: It is inconsistent with what the member just said.

Dr M.D. Nahan: Do you support it?

Mr V.A. CATANIA: Absolutely! I support royalties for regions as long as it does not affect my electorate through the loss of important infrastructure projects, which is currently what is happening. I look forward to when the Treasurer hands down the budget in May just to see exactly how much is being taken out.

Mr T.R. Buswell: Give me some examples.

Mr V.A. CATANIA: The Carnarvon police station and courthouse—will that occur? What about the Karratha high school and primary school? What about the Carnarvon power station? I can rattle them off, but we are here to look at this amendment and to make sure it reflects what is actually happening north of the twenty-sixth parallel. It is good to see that the Treasurer supports this amendment, and disappointing to see that the member for Riverton does not support it. It must be interesting in their party room when they have these discussions. It would be interesting to see which members support royalties for regions, because, based on the member's remarks about lifting this cap to \$1 million, he is saying that first home buyers should not be given every opportunity to purchase houses. It is the great Australian dream to own one's own house. I look forward to the member going back to his electorate and saying that he does not support people being assisted to own their own homes. As a young person, when I bought my first house, obviously I received the first home buyers grant, and it assisted me greatly.

Mr C.C. Porter: Was your first house worth \$1 million?

Mr V.A. CATANIA: Unfortunately, I do not earn enough money to afford a \$1 million house. However, if I want to buy a house in Karratha to house my family, I am looking at spending more than \$850 000. That is a lot of money to spend on a house, even in Perth. The whole point is that this amendment reflects what is happening in the Pilbara. As I said, it is great to hear the Treasurer say that he will support this amendment. This first home buyers grant may not be accessed by lot of people in the north west purchasing houses for more than \$750 000, but even if just one person wants to have a life, set up house and have a family in Karratha, Port Hedland, Newman or wherever, that is one person who is an asset to the town. We must make sure that we support people who move to regional Western Australia. We need more people coming out there and setting up shop, because that creates a community and a family-friendly environment, and that is what I think we are all about. However, sometimes we do not have policies that reflect that; fly in, fly out is one of those policies that hurts towns in the Pilbara.

Mr D.A. TEMPLEMAN: I am very interested in the further comments of the member.

The DEPUTY SPEAKER: I can see that.

Mr V.A. CATANIA: I thank the member for Mandurah and the Deputy Speaker.

As I said, we have policies that hurt regional Western Australia, particularly the Pilbara, such as fly in, fly out. Sometimes we must have a fly in, fly out policy. However, with towns such as Karratha and Port Hedland, I wish we could get rid of fly in, fly out, because we need to make those vibrant communities. Having vibrant communities and people making the financial commitment to move to those communities enables us to get all the social infrastructure we need to have amenities that make a place feel like home and to feel somewhat closer to what people in the city have at their fingertips. It improves health services, policing, education—it all comes with it. Therefore, because we want to encourage people to live in the Pilbara, particularly in the north west above the twenty-sixth parallel, any policy change we can make to reflect that has to be a good policy change. I think everyone in this house should endorse the amendment moved by the member for Rockingham. If members think that the economy is slowing in Western Australia, I encourage them to go to Karratha, Port Hedland, Newman and Exmouth and look at what is happening. There may be a small downturn, but this government has the opportunity now to try to catch up with what is needed in the Pilbara. I think the former government did a great job, a fantastic job, to try to combat that rapid growth in such a small period. It is interesting: when we came into government in 2001, how many doctors do members think were in Karratha? How many permanent doctors do members think we had in the hospital at Karratha? Zero!

Several members interjected.

Mr V.A. CATANIA: There were no doctors in Karratha when we came into government. Amazing!

Anyway, I am sure that the Treasurer will agree to this amendment, because it makes sense. As I said, any policy that will help people move to regional Western Australia, particularly the Pilbara, should be supported. Therefore, I hope all members put aside their political views and support this amendment, which reflects what is happening in the Pilbara.

Dr M.D. NAHAN: I have a couple of comments. Firstly, because I do not support this amendment it does not mean that I do not support the first home owner grant. People who are buying a \$350 000, \$400 000 or \$500 000 home are real first home buyers. The reason the grant was increased last year from \$14 000 to \$21 000 was, in fact, to stimulate the economy in the downturn, and along with lower interest rates it has been very significant in stimulating the lower first home buyers' segment of the market, which is helpful. Again, though, there has been a large amount of debate in the community that perhaps it is reaching its limit in that it has bid up the price of that first home buyer market and the real beneficiaries are not the first home buyers but, indeed, those selling.

The member for North West mentioned that he would like to ban fly in, fly out. But where would those workers live? Yes, people would like to live in the north, but if house prices are \$800 000, very few people who live in that area or who work on a fly in, fly out basis could afford that price. My essential point is that if members support the maintenance of house prices of this magnitude in the north, they support fly in, fly out. Members might not know they are doing that, but they are, and they are inhibiting the further development of the north. Members are also exposing the people who invest in that area to high levels of risk, and that is not a good thing for a government to do, particularly if we use the royalties for regions program to develop houses. In the past few years, in Port Hedland for instance, there has been a large expansion in the number of blocks on the market—10 times the amount that was released in the previous five years. The same applies to Karratha and other places. It was not just China booming that led to the lack of development; during that same five-year period, Geraldton was somehow able to clear 1 000 blocks, whereas Port Hedland cleared 46. Therefore, we need to fix the policy that restricts the supply of land; and, if we are struggling to do so, we should not force prices up and lock people into these excessive house prices.

Generally, I support the \$750 000 cap proposed in the First Home Owner Grant Amendment Bill; it is generous but appropriate. The first home owner grant, as proposed by the commonwealth, of \$21 000 for new housing and land developments and \$14 000 for existing houses, is appropriate in the circumstances that we face in the economy. However, I have difficulty accepting that we should provide a huge subsidy of \$21 000 for people, wherever they live, who can afford to buy a million-dollar house.

Mr V.A. CATANIA: The member for Riverton has canned some points. This amendment reflects what is actually happening in the north west. Yes, I think fly in, fly out has hurt a lot of towns; it has sometimes rendered some towns soulless because of the transient nature of the workforce. It is wrong and it does have an effect on towns. Yes, I realise the problem: if everyone were to live in these towns, where would we house them? However, it is up to the resource sector to also play its part. The resource sector can sit down with government and forecast what will happen and work out how many houses are needed. During the election campaign, member for Riverton, when I was doorknocking in Karratha, there were a number of empty houses around. I counted 130 empty houses owned by the resource sector that had been mothballed. There are all these empty houses that the resource companies are paying phenomenal rents for—keeping the rent price up as well; so it is not only government that can affect these prices, but also the resource sector. As I said, any policy that helps regional Western Australia is a good one.

I am disappointed by the comments that the member for Riverton made in today's *The West Australian* about getting rid of the upper house. We will get rid of the upper house and save \$16 million!

Several members interjected.

Mr V.A. CATANIA: Having been in the other place —

Point of Order

Mr T.R. BUSWELL: I draw the Acting Speaker's attention to the relevance of the member's contribution as it relates to the amendment on the table.

The ACTING SPEAKER (Mr P.B. Watson): I agree with the Treasurer; I think the member is drifting away from the amendment and I am sure he will get right back onto it straightaway.

Debate Resumed

Mr Mark McGowan; Mr Troy Buswell; Mr Paul Papalia; Mr Tom Stephens; Dr Mike Nahan; Mr Vincent Catania; Acting Speaker; Mr Bill Johnston

Mr V.A. CATANIA: As I said, any policies that help regional Western Australia are good ones. The policy that the member for Riverton is trying to embark on in getting rid of the upper house can be added to the hatred that I think the member has for regional Western Australia, because if we got rid of the upper house, we would get rid of six upper house members who can service constituents in my region. As I said, I think the member for Riverton is absolutely wrong, and I encourage him to have a look up north and see what is going on. Obviously, he has not been there for a long time. He may have gone there before 2000 when there were no doctors in Karratha, but now we have doctors, so if he goes up there he can feel safe.

Mr T.R. Buswell: Not if you're a pregnant mum!

Mr V.A. CATANIA: That is a huge problem and, unfortunately, the money that the government is throwing at Nickol Bay Hospital will not help the situation. However, that is another subject and we will have that discussion the next time round. Anyway, I hope the member for Riverton can get some sense out of this debate and support the amendment.

Mr W.J. JOHNSTON: I was sitting in my office watching the debate on the system and I was struck by the member for Riverton's contribution. I thought about the things that people say about an economist. They say that an economist is an accountant without a personality.

Mr T.R. Buswell: You ought to hear what they say about you!

Mr W.J. JOHNSTON: Yes, and the Treasurer should hear what Robert Ray says about him!

Mr T.R. Buswell interjected.

The ACTING SPEAKER (Mr P.B. Watson): Order, Treasurer!

Mr W.J. JOHNSTON: I could suggest that any piece of economic analysis starts with an assumption —

The ACTING SPEAKER: Order! When members are walking between the speaker and the Chair, they must acknowledge the Chair. Two members have done it already today; I will not mention their names. Acknowledging the Chair is a procedure of the house, and members on both sides of the house have been very slack lately. I ask every member to observe the procedure, and it will make the house much more orderly to run.

Mr T.R. Buswell: Who is Rod Fraser?

Mr W.J. JOHNSTON: I point out that the member for Riverton says that if —

The ACTING SPEAKER: When the Treasurer is sitting at the table, he is there to deal with the bill. He can make interjections when he is sitting in his seat. However, he would be more responsible if he just concentrated on the bill so that he could hear what the member was saying.

Mr C.C. Porter: Who is Rod Fraser?

Mr W.J. JOHNSTON: I do not know.

Mr C.C. Porter: Neither do I.

Mr W.J. JOHNSTON: If it is true that an increase in the allowance for people who buy a house between \$750 000 and \$1 million in the north of the state will benefit only the vendor, the exact same argument must apply to someone in the metropolitan area or anywhere else who buys a house between zero dollars and \$750 000. It is not logical and it is not possible to argue that the government can give \$21 000 to one person and it will not push up the price of the house, but that it can give \$21 000 to the person next to that first person and that will push up the price of the house. That is not a proper argument.

Mr T.R. Buswell: Can I just help the member for Cannington?

Mr W.J. JOHNSTON: It is the same argument.

Mr T.R. Buswell: Mr Speaker, I am just trying to help him.

The ACTING SPEAKER: Yes, it is an interjection.

Mr T.R. Buswell: It is not \$21 000; it is under seven, because the cap applies only after the boost stops.

Mr W.J. JOHNSTON: Yes, I understand that, Treasurer.

Mr T.R. Buswell: You just said \$21 000.

Mr W.J. JOHNSTON: The \$21 000 is the total amount of the payment and it is not —

Mr T.R. Buswell: No, member, I am sorry. Just so you know and just for the public record, we are talking here about \$7 000, because the cap cannot apply while the \$14 000 or \$21 000 boost is in place.

Mr W.J. JOHNSTON: I am sorry, can the cap not apply?

Mr T.R. Buswell: The cap cannot apply while the boost is in place. So, once the boost finishes, we are talking about a \$7 000 first home owner grant.

Mr W.J. JOHNSTON: Fine! That is an even more dramatic demonstration of the point I am making and why the member for Riverton is totally wrong. He cannot argue that the \$7 000 additional payment to the purchaser, which after all was introduced to pay the goods and services tax component on the sale of a house, will somehow increase the price in one market compared with another. That is a nonsensical argument. The member for Riverton cannot say that the grant will benefit the vendor when a house costs between \$650 000 and \$749 000 but it will not benefit the vendor when a house costs \$750 001. That is not a logical argument. The reason for the cap is to limit how much assistance is given to first home buyers and to specify which first home buyers are means-tested out of this benefit, in the same way as the federal government applies means tests to various transfer payments. That is the purpose of the cap. It is not about the economic effect of the \$7 000 grant. The \$7 000 grant was introduced for the purpose of paying the GST component for a first home buyer and to compensate for the introduction of a flat tax that affects working people more than it affects anybody else in this country. The government cannot therefore argue that working people are not entitled to the reimbursement of their GST expense, which is what the \$7 000 grant is about, on the basis of some purist economic argument that might exist inside a university but does not exist outside in the real world. It is not a logical argument to say that the \$7 000 grant does not benefit the vendor of a \$749 999 house but does benefit the vendor of a \$750 001 house. That is not logical. If the government is going to argue against this measure, it must argue against it on the basis of its actual impact, not on its pretend impact; it must argue about what is actually being provided. It is entirely appropriate to cap a payment —

Mr C.C. Porter: Member —

Mr W.J. JOHNSTON: I have 36 seconds to go.

Mr C.C. Porter: Would you therefore say the supply and demand curve is a straight line?

Mr W.J. JOHNSTON: No, of course not.

Mr C.C. Porter: Well it must be curvy then.

Mr W.J. JOHNSTON: I have 30 seconds to go.

The government cannot argue against this measure on the basis of its impact on the market. It can argue against it on the basis that it is not fair, that it is not reasonable or that it is measured in the wrong way. However, it is not logical to argue that \$7 000 will somehow have a dramatic effect on the market. No ordinary person listening to that argument, no matter what somebody at a university says, would agree with it.

Mr T.G. STEPHENS: I was hoping that we would get an assurance from the Treasurer that we have still got him on board for this amendment and that he has not been misled by the member for Riverton. Although there are some observations that need to be made in this debate, no member on this side of the house wants to lock in housing prices at unaffordable levels in any part of Western Australia. The full apparatus of government needs to be brought to bear on the challenges in all parts of the state, including the Pilbara region—especially the Pilbara region where the challenges and opportunities are enormous. As well as the benefits that will flow to that region from the carriage of this amendment, simultaneously there needs to be from government and the resource sector a full range of policies that will respond to the challenges. A top priority should be focused on the cost of housing construction and strategies that can be deployed to try to reduce that cost while maintaining and improving the level of housing that is being constructed there.

It is quite clear to me that the use of innovation, particularly innovation that reduces the cost of housing construction, will not come from industry alone; it will require input from government. It will require collaboration in the three spheres of government with not only the construction industry itself but also the resource sector to come up with strategies that deliver more affordable housing. As well as that, of course, the government has the key responsibility of working out strategies for accelerating the release of land onto the market.

There is a third part to the problem for the Treasurer in his other role as Minister for Housing and Works. One thing I tried to do in the portfolio but did not succeed was to bolt down on strategies across the full apparatus of government that leave government employees with the opportunity of buying their homes from government for their use in these communities. Unfortunately, despite the fact that our policy was adopted to make that possible in regional areas, some departments prevented their employees from benefiting from the policy that was on offer. For instance, Department of Housing and Works employees could buy their own house and could avail themselves of the first home owner grant if they bought a house in their own community which was theirs for the

first time in that community but which was otherwise leased to them by the department or by the apparatus of government, whichever agency was there for them. Essentially those strategies free up an asset of government and make them available to local people to take up housing. It is a multi-pronged response that is required of government, and this amendment will be one useful part of the weaponry. I commend the amendment to the house.

Mr P. PAPALIA: I feel compelled to leap to my feet in defence of the Treasurer—I think I have done it twice in the space of about a week—who has responded in a considered and responsible fashion to the compelling arguments from the members for Rockingham, Pilbara, North West and Cannington in support of the amendment. I think the vast majority of members of this place would agree that it is a good amendment and well worthwhile supporting. However, in supporting the Treasurer I will also throw a little support behind the member for Riverton. I am in awe of the member for Riverton's courage and his willingness to stand up for his principles and clearly state his disagreement in spite of the Treasurer's strong support for this amendment. I might well add that when the Treasurer spoke he was in the presence of the Premier. I admire the member's courage and his willingness to stand by his principles. I look forward to watching him cross the floor to vote against the amendment in due course.

Mr T.R. BUSWELL: I will make just a few comments. I hope to close the debate on this amendment. I have indicated that the government will support the amendment. In my view, the amendment will not impact on many people. As I said last week, only five people over the past three or four years would have been affected by such an amendment. Notwithstanding that, it is reflective of some of the realities that occur in the north of the state. I will quickly share with the house some statistics—which have been ably provided to me and which I have, of course, promptly lost!—about the median house price for first home buyers. It is interesting to note that across Western Australia the median house price for first home buyers is, as I understand, \$365 000. In the December quarter of last year, the median house price for first home buyers in Karratha, on the back of seven sales, was \$600 000; in South Hedland, on the back of 10 sales—there were no sales in Port Hedland—it was \$435 000; and in Broome, on the back of four sales, the median house price was \$450 000. There is an argument to say that in those areas, for a variety of reasons, the median house price for first home buyers is higher than in other areas. I accept the member for Riverton's comment that the reason the median house price is higher in those areas is often directly attributed to an inability to provide an adequate land supply; nowhere is that more evident than in Karratha. I do not think anyone would argue that the supply of land in Karratha kept up with the growth of demand for land in Karratha. That was reflected not only in the growth of house prices in Karratha, but also in the growth of rents. When I visited Karratha last year—I hasten to add that I visited two or three times prior to the member for North West being the member for that area and when I had a different role in this place—the impact of property prices and the affordability of housing to build sustainable communities was the single biggest issue in town.

Mr V.A. Catania: With the pace at which the economy was growing, you must admit that it was difficult for governments to keep up with what happened. It is very, very —

Mr T.R. BUSWELL: I do not want to get into an argument. I do not accept the member's argument. However, I want to quickly touch on a couple of things.

The one concern I had—about which Treasury provided advice over the weekend—was the consistency of this amendment and the effect of two caps in one state-based jurisdiction, given the intergovernmental agreement. Treasury advice is that having two caps is not inconsistent with the spirit of the IGA. I understand that Treasury has sought advice from the State Solicitor's Office and has also had informal contact with the commonwealth at officer level to confirm that lack of inconsistency. There is no technical impediment, from the point of view of the IGA, to the house supporting this amendment.

I will touch on a couple of other matters that I think are important, but I will not speak for much longer. The member for Riverton raised a couple of important issues, one being the capitalisation of the first home owner grant. I saw an interesting article—I cannot remember the name of the publication, although I am sure it was either a newspaper from today or yesterday—in which arguments were made for and against the extension of the first home owner boost. There is growing evidence, and a number of market observers are now saying, that the boost payment is being capitalised. Irrespective of that, the impact on the first home buyer is relatively small if it is financed over an extended time. However, there is a body of evidence to support the capitalisation argument. I remember many times arguing from opposition about a thing called the first home buyer stamp duty concession. Every time we raised it, the then Treasurer would say that if the government provided such a concession—which is a financial gain to first home buyers over and above other home buyers and which is exactly what the boost is—it would be capitalised. Funnily enough, we did not accept that argument when we were in opposition!

However, people who observe price movements in the first home buyer market argue that that is, indeed, the case, and that an element of the boost package has been capitalised.

Mr M. McGOWAN: I would very much like to hear more from the Treasurer.

Mr T.R. BUSWELL: That is a very defensible position to adopt in the context of this argument; that is, the boost is in part or in total capitalised as part of the process. Notwithstanding the argument in this case, given that there are so few people and it is a clearly defined area, I am very comfortable continuing to support the amendment.

At some stage there needs to be a debate about the capacity of people to repay the loans that sit off the first home owner grant. This is a serious public policy issue. I happened to be talking to a bank manager in my home town on Friday after I had been in a rally car around the rally track. I was a bit dishevelled, but my ears were working and, I am assuming, half my brain was still in gear. This bank manager said that when he deals with applicants under the first home owner grant, about the first \$7 000 is immediately set aside for mortgage insurance. An interesting area of public policy debate—and this is a general public policy issue and not a political issue—is that of concern about what happens to people who are currently being lured into taking out a loan. I should not say “lured”, because it has negative connotations. What happens to people who make a rational decision to purchase a home in a low-interest environment and who take out mortgage insurance, but then, as surely as night follows day, interest rates move into an up-cycle? I sense that if we are not careful about this, it could have significant long-term implications for those householders who at the moment are going from rent stress to mortgage stress. I do not blame them for wanting to take that leap. The member for North West rightly pointed out that home ownership is the great Australian dream. Buying one’s own home is a fantastic aspiration to hold, but people run the risk of potential mortgage stress at some stage down the track.

I will make one other quick observation. It is the case, as the member for Riverton pointed out, that housing affordability in Western Australia between 2004 and 2006 was impacted on by a collapse in land supply. There is a range of reasons for that collapse. The government is working very hard to address those issues. Some good work was done previously by some people—for example, Marion Thompson and the report she produced for the former government. If we do not address the underlying land supply issues, we will not be able to address the housing affordability equation in its fullest context. If we cannot produce more responsive market reactions to demand spikes, we are, fundamentally, chasing our tail. It is a significant issue and one in which the government is investing some time. I will close Mr Speaker—Mr Acting Deputy Speaker—

The ACTING SPEAKER (Mr P.B. Watson): Just call me Speaker; I am comfortable with that!

Mr T.R. BUSWELL: Thank you, Mr Acting Speaker. We will support the amendment. The member for North West made some comments on ABC radio last week in which he insinuated that I do not understand what the Pilbara has been going through. The member is entitled to his view about that, but I think I have a reasonable understanding about the Pilbara and what it has been going through. As I said earlier, last year I visited Karratha three times and Carnarvon twice—admittedly while fulfilling a slightly different role in this place—and I saw some of the things that people have to go through. I know how hard it is for people to establish a home and how important it is for people who can make a positive contribution to come to those communities. I always refer to a wonderful lady I met, Sue Middleton-Duley, who could not have her baby at the Nickol Bay Hospital and was put through all sorts of distress. My only hope is that the changes we are making at Nickol Bay will allow Sue and other mums like her to have their babies in Karratha. At the end of the day, we do not want a sustainable community with all that money going out through a major port in which mums cannot have their babies in their home town. She was one of the most interesting —

Mr V.A. Catania: I am happy to report back to the ABC that you have accepted the amendment and that you do realise what is happening.

Mr T.R. BUSWELL: I do not mind what the member does. I only want to put on record my admiration for Sue Middleton-Duley, who stood up to the health department bureaucracy and refused to go to Perth or to Port Hedland to have her baby but instead asked to have her baby in her home town where her mum and her partner live. She told the health department that Karratha was a big town and its residents deserved to have that facility. Of all the people I met around Western Australia, she was one of the most impressive. The government does not support this amendment because of Sue Middleton-Duley, but rather because it deserves to be supported.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 11 to 19 put and passed.

Title put and passed.

Extract from *Hansard*

[ASSEMBLY - Tuesday, 7 April 2009]

p2815b-2827a

Mr Mark McGowan; Mr Troy Buswell; Mr Paul Papalia; Mr Tom Stephens; Dr Mike Nahan; Mr Vincent Catania; Acting Speaker; Mr Bill Johnston
