

PETROLEUM AND GEOTHERMAL ENERGY SAFETY LEVIES BILL 2011

Consideration in Detail

Clauses 1 and 2 put and passed.

Clause 3: Terms used —

Ms J.M. FREEMAN: I refer to the definition of “safety levy”. Is the minister able to tell us at this point what the expected safety levy will be when it is introduced? I gather that will be on proclamation, which is probably now 2012.

Mr W.R. Marmion: The actual dollar amount?

Ms J.M. FREEMAN: Yes.

Mr W.R. MARMION: It will depend which class it falls under. It will vary. These are indicative. I will give a bit of an indicative idea.

Ms J.M. Freeman: Is the minister able to table the indicative figures?

Mr W.R. MARMION: These are only indicative. I will give the member the highest one. The highest figure is \$131 000. It goes down to about \$1 600.

Ms J.M. Freeman: Is the minister able to table that?

Mr M. McGowan: Is that per business?

Mr W.R. MARMION: Per safety case, survey, or whatever they are doing.

Ms J.M. Freeman: Safety case regime. It is the classification depending on the size of their safety case and their operations. There is a whole set of criteria, is there not?

Mr W.R. MARMION: Yes. Depending on the rating, rated down to one or 21 points, they work out the annual unit cost. The total is 13 194 annual units. The quarterly levy is estimated at \$3 298.49 per unit. If there is one unit, it will be \$3 298; 21 units will be 21 times that. Does the opposition want that?

Mr M. McGowan: If the minister can table it, that would be great.

Mr J.M. FRANCIS: Mr Deputy Speaker, I am wondering who is actually on their feet at the moment; who has the call?

Mr M. McGowan: The minister has.

Mr W.R. MARMION: There has been no agreement with industry at this stage. Consultation is in progress. This could cause problems with the consultation process, so I would rather not table it.

Mr C.J. TALLENTIRE: I request that the document be tabled. It has been referred to in consideration in detail. It has been quoted from.

The DEPUTY SPEAKER: If it is the minister’s notes, he does not have to table it.

Mr C.J. TALLENTIRE: I think it is an official document that the minister was handed by his advisers.

Mr W.R. Marmion: The other problem, Mr Deputy Speaker, is that one document gets down to individual activity types and details of people. They would be concerned if they saw what the levy could be because there could be a lot more work done in terms of modelling. There may be a lot of revision done. It is just in case.

Mr C.J. TALLENTIRE: I think it is beholden on this Parliament to ensure that there is transparency. Anybody who wants to be involved in contributing towards a safety levy should be part of a transparent process. It is an official document, the minister has referred to it and it should be tabled.

Mr M. McGOWAN: For clarification, Mr Deputy Speaker, the standing orders are clear that if a minister quotes from an official document, he needs to table it. It is not about whether there is any concern about what might be in the document or what have you; if the minister quotes from the document and it is an official document, he needs to table it. The question then becomes: is the document the minister is holding in his left hand an official document? Ordinarily the Speaker would determine whether it is an official document after looking at the document. I think the member for Gosnells is asking that you, Mr Deputy Speaker, undertake the same process.

The DEPUTY SPEAKER: All right. If the minister hands up the document, I will look at it and make a determination after the matter is completed.

Mr M. McGOWAN: Mr Deputy Speaker, while you are making that important determination that we are all hanging on, my question relates to the overall amount of the levy that the minister wants to raise and how it

relates to the calculation the minister came up with before. First of all, I am interested in the total quantum of the levy that the minister is seeking to raise in the first financial year.

Mr W.R. Marmion: I said that already.

Mr M. McGOWAN: The minister said that?

Mr W.R. Marmion: It is \$4.7 million.

Mr M. McGOWAN: Does the minister in effect use the formula to somehow come up with that arrangement and it adjusts each financial year; is that the way the process will work?

Mr W.R. Marmion: Yes.

Mr M. McGOWAN: Maybe I will get the minister to answer that for me.

Mr W.R. MARMION: I am sorry, I thought I answered that question in my response to the second reading debate. It is actually detailed in the facts sheet. Basically, a budget is prepared, which is currently \$4.6 million. My note says \$4.7 million. Currently it costs \$4.7 million. A budget will be prepared and we will then work backwards from those calculations that I have not yet tabled and work out the levy rate multiplied by all the relevant factors and come up with the budget amount per quarter—four quarters, therefore, will be done.

Mr M. McGOWAN: In terms of actual staff or bodies that the amount will pay for, will it mean that compared with the current number of people undertaking this safety role, there will be an increase or a decrease in the number of people undertaking the safety role?

Mr W.R. MARMION: There will be a small increase. This gap gives an opportunity to make a small increase to cover the costs, which will actually go towards paying either higher salaries or additional salaries.

Tabling of Paper

The DEPUTY SPEAKER: I have examined the documents and believe that they should be tabled.

[See paper 4116.]

Debate Resumed

Ms J.M. FREEMAN: I seek clarification because this is not an area on which I have a great understanding, so I suppose I beg the minister's pardon. The bill states —

department means the department of the Public Service principally assisting in the administration of this Act;

Can the minister tell me the name of the department of the public service that is principally assisting in the administration of this act for the purposes of that definition?

Mr W.R. Marmion: It is the Department of Mines and Petroleum.

Ms J.M. FREEMAN: The Department of Mines and Petroleum is currently administering the mines safety and inspection levy that was introduced. Will this levy therefore be administered by the same part of that department for the purposes of this bill? Will it mean therefore that the administration cost in gaining the levy will be lessened by the fact that the department will share the human resource costs in getting that levy, and that will therefore ensure that the full benefit of the levy can go to the employment of inspectors, as we discussed previously?

Mr W.R. MARMION: My understanding is that they will be administered by separate departments so that the levies are kept separate. However, synergies on the HR administration side will be applied on a pro rata basis so that the aspects that relate to this bill are charged to this levy, and the aspects that relate to the mining bill are charged to the mining levy.

Clause put and passed.

Clauses 4 and 5 put and passed.

Clause 6: Amount of safety management system levy —

Mr W.R. MARMION: I move —

Page 5, after line 20 — To insert —

- (2) The regulations may specify different amounts of safety management system levy, or different means of working out amounts of safety management system levy, for different classes of safety management system.

Mr M. McGOWAN: I think it is incumbent on the minister to explain what the amendment is. We as an opposition have done a lot of work in considering this legislation and we are keen to know exactly how this change will fit in with the way the legislation is currently constructed.

Mr W.R. MARMION: There was an anomaly discovered in the relationship between clauses 6 and 9. An amendment was required so that clause 6 in part 2 of the bill, which deals with the amount of the safety management levy, is consistent with clause 9. Basically, this proposed subclause (2) will allow a way of differentiating the different classes for each safety case.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 7 to 26 put and passed.

Title put and passed.