

RAILWAY (TILLEY TO KARARA) BILL 2010

Second Reading

Resumed from an earlier stage of the sitting.

MR R.H. COOK (Kwinana — Deputy Leader of the Opposition) [2.49 pm]: Prior to the break for question time, I was talking about the importance of rail in the development of not only the resource industry in the Mid West, but also other industries in the area.

The SPEAKER: Members, you may want to have a range of discussions in this place. The only person I want to hear from is the member for Kwinana. If you want to have a discussion not relevant to this topic, please take it outside.

Mr R.H. COOK: As I said, in the number of discussions that we had with mining companies in that area, they constantly spoke of the challenges for their development projects and how they would get their product from the mine to the port. At that stage, the Labor government had already been making huge changes at the Geraldton port to increase its capacity to take not only more product, but also differentiated product. Indeed, the development of the southern gateway was an important part of developing that transport infrastructure for Geraldton port. As I said before the break, the member for Balcatta was talking about some of the more novel ideas, such as slurry pipes and things of that nature. However, it has always struck me in the context of those discussions that what was really needed was some significant investment in the area to ensure that we had that rail capacity so people could get minerals to port to provide a competitive product in the international market. An interesting observation made to me at the time by a mining company was that Geraldton port in itself provided a competitive advantage in that some of the lower grade minerals the company was developing, because Geraldton port used the smaller—was it panamax ships that could be used at Geraldton port, parliamentary secretary, or the next one down?

Mr M.J. Cowper: I think it was the next one down.

Mr R.H. COOK: Yes. The smaller ships could then take product directly to some of the smaller mills in China that might be further inland, so they were not confronted with the expense of taking larger ships to China, offloading them and loading the product onto barges that would then take that product to the smaller mills inland. Therefore, there was a competitive advantage in providing smaller ships directly from Geraldton port to those smaller ports. However, they were always talking about the challenges that they confronted in how to get the product to the port in the first place. Before the break, I spoke about the flotilla of trucks and road trains that would use that Geraldton – Mt Magnet Road and the huge congestion and I assume costs associated with the upkeep of that road as a result of those trucks using it. Therefore, the development of the Karara rail line is very welcome and very important.

The Mid West is a very exciting area—although one would not think so from the way people are talking behind me at the moment. The Mid West has met a lot of the challenges of developing some of the industries in that area, but it is very exciting in the sense that it is now starting to get some real runs on the board in generating sustainable economic activity that will be for the betterment of the people in that area. The Square Kilometre Array project is another example of some of the exciting developments that are taking place in the Mid West. However, it is in that context of sustainable economic development that I will make some comments about the sharing of economic development in that area so that it includes people such as the Aboriginal people who live there.

In the development of the mineral industries in the Pilbara, essentially, one group in the community missed out on all that development. Indeed, the industry missed out on the opportunity to engage the resources of an in situ labour workforce that is capable of taking that industry forward. The Pilbara is making up for lost time by starting to have aggressive processes to engage Aboriginal people in the industry through not only direct employment in mining projects, but also, in more recent times, the use of Aboriginal-owned companies subcontracting work for mining companies. That is a very welcome development in the Pilbara. However, in the Mid West, we do not need to have that game of catch-up. The development of the Indigenous human capital in the Mid West can grow with the industry as it so grows. It will be hugely disappointing if in 20 years' time we are looking back on the development of the resource industry in the Mid West and lament that as that industry grew, the Indigenous workforce was not able to grow with it too.

I mentioned the Square Kilometre Array because in some respects it falls outside the prism of what people often regard as opportunities for Indigenous employment. The Square Kilometre Array will obviously have not only a range of construction, earthmoving and infrastructure projects, but also some high-end technical projects. It has been put to me, and I think it is a really important argument, that when people look at the Square Kilometre Array, they are looking at a development that will hit the ground and be running full-tilt in 10 to 15 years' time. The young people who will work and take up the career opportunities that come out of not only the Square

Kilometre Array, but also the service industries associated with it and related industries around the outside that will utilise this new technology capacity are those who entered their schooling lives last year and this year or who will do so in the next couple of years to come. The opportunity for Aboriginal people to share in the economic opportunities that might come out of the Square Kilometre Array is present now. We should be looking at long-term projects that look to engage Aboriginal people in not only these high-end projects but also the projects that exist in the emerging resource area.

An important aspect of the Railway (Tilley to Karara) Bill 2010 is in clause 6, which provides for the delegation of responsibilities under the Aboriginal Heritage Act 1972. It clarifies who has the responsibility for undertaking the obligations under the Aboriginal Heritage Act, ensuring that it is indeed Karara and its contractors, rather than the Public Transport Authority in this case. The member for Balcatta observed that the very old Aboriginal Heritage Act in some ways does not respect that transfer of ownership of entities that seek section 18 clearances. I agree with the member for Balcatta that the Aboriginal Heritage Act is indeed ready for reform and has been for about the past three governments. I understand that each time a government comes in, it reviews the Aboriginal Heritage Act and makes promises to all the stakeholders that the heritage act will be updated, but for some reason that just escapes the government. The previous government was the same and the government before that was the same. I sometimes imagine that a government comes in to office in Western Australia and calls in the bureaucrats and tells them that it wants to review the Aboriginal Heritage Act and asks them to undertake a study, and the bureaucrats simply pull out the drawer and perhaps look at one of the half a dozen or dozen of these reviews that have taken place over the years and say, "Let's circulate this one for this particular government!" It is true that reforms to the Aboriginal Heritage Act are required. One thing that we must be careful of in doing so is that we ensure that when companies transfer their ownership, the full obligations of that ownership are transferred to the new owner of the company. The heritage management regimes that are entered into as part of the agreement process are essentially almost company-owner specific and, in a lot of cases, personnel specific. They are solemn agreements between the Indigenous interests in the area and the people who are involved in operating that company. Therefore, we can understand that on the Aboriginal side of the debate there may be some concern if a company transfers ownership and all of a sudden some of the implications and assumptions and some of the agreements that might be associated with the section 18 clearance may be lost in that transfer of ownership. So it is important that when we reform the Aboriginal Heritage Act, we do so in a manner that will ensure that if a company does transfer ownership, it will not get out of the obligations that it might have under those section 18 arrangements.

Mr J.C. Kobelke: I support what you are saying. But there is another issue that is involved. I was concerned as Minister for Indigenous Affairs that even if a company did not transfer ownership, but a proponent who had been given a clearance did not fulfil the conditions, it was very difficult under the act to enforce any sort of penalty. You are saying that if the ownership is transferred, a penalty cannot be enforced—which is an issue rightly to be concerned about—but the issue is that even if the ownership is not transferred and the proponent reneges on the undertakings or the conditions imposed, it is very difficult to enforce a penalty.

Mr R.H. COOK: Indeed. The member for Balcatta has made a valuable observation about the range of agreements that might be made by Aboriginal groups, be it under the Aboriginal Heritage Act or the Native Title Act, or any other mechanism. Obviously, that is a question of the strength of the act under which they might be making that agreement. But it is also about the capacity to monitor and make sure, once the exhaustive decision-making and agreement-making processes have been completed, that both parties follow up and meet not only the technical requirements of the agreement, but also the spirit in which the agreement was forged. Therefore, the Tilley–Karara rail project is another example of the important opportunities that will be provided for the Aboriginal communities in this region from the development of the resource industry in this area.

As I said, one of the important aspects of this legislation is to ensure that the transport infrastructure continues to keep pace with the emergence and development of industry in the area. One of the things that people have sought to do under the Henry VIII clause is to find ways and means by which they can shortcut the scrutiny of Parliament and shortcut the effectiveness of other legislation that may impact upon this development. Therefore, it is very pleasing that that particular clause will be removed from this legislation when it is ultimately passed. The reason that is important is that as industry picks up, excitement will continue to build, and opportunities will continue to present themselves, not only to Karara in relation to this particular rail project, but also to other outside interests, be they environmental stakeholders, Indigenous stakeholders or other stakeholders. Other stakeholders that may be impacted upon by this development may often be steamrolled, not by design, but by fault and the fact that the development is moving forward at a pace. Therefore, it is important that we put checks and balances in place to ensure that as the development goes forward, it does not go forward in a manner that will undermine other legislation that is designed to protect other interests in the process.

[Member's time extended.]

Mr R.H. COOK: The sustainability of the resource industry in the Mid West depends upon the development of integrated transport infrastructure. The development of rail infrastructure is particularly important. The member for Gosnells, in his description of the opportunities that might be utilised in this rail corridor, raised his concern that although Karara will obviously have first bite of the capacity cherry, as other companies realise the opportunity that they might have through the development of the port infrastructure, the capacity of the rail network might be overrun simply by virtue of the number of proponents who want to take advantage of it. I note that Karara will take responsibility for the design–construct–commission of this piece of infrastructure. I therefore assume, parliamentary secretary, that Karara will obviously have first bite of the capacity cherry, but ultimately, under the terms of this legislation, the rail network will be available to other industry participants in the area. From that point of view, this represents a pretty good deal for the state, I must say, because it will allow the state to develop common-user infrastructure, while at the same time pass to the private sector much of the cost of the development of that infrastructure. I should say that this infrastructure is being developed by the private sector, but in a way that will provide transport infrastructure that will integrate into other purpose-built and common-user infrastructure. That means that this is a particularly useful development indeed.

The member for Gosnells also pointed out that the use of this rail network for the transportation of other products was very much in the thoughts of the expert who looked into this matter. The report of the expert made the observation that mineral sands companies might also utilise this network, in addition to the existing grain production interests in the area, and that there is also the potential for uranium to be transported on this rail infrastructure. I guess, member for Gosnells, that it must also be of concern to the member for Geraldton that this rail network has been identified for such use so early in the piece. I am sure the member for Geraldton shares the concern of the member for Gosnells that uranium not be transported through Geraldton port, and I am sure he will seek a commitment from the government to ensure that that does not take place.

I conclude by saying that, as the member for Gosnells has indicated, Labor supports this bill. I am particularly excited to see that rail infrastructure is at long last going to be developed in a serious matter in the Mid West region. That is crucial for the development of the resources industry that currently utilises Geraldton port. It is also fundamental to the success of the Oakajee port development, which Labor, both in government and in opposition, is very supportive of. I want to see this sort of development. I want to see transport infrastructure. I want to see industry development. I want to see allied industry development take place in a manner that is sustainable for the community. The key area of sustainability for any industry in the Mid West must be that the Aboriginal communities in the area—the traditional owners and the other Aboriginal people who live in the area—benefit from these developments, not in 20 years when the industry has built up a head of steam, but now as the industry contemplates the workforce that it needs, contemplates the service industries that it will need, and contemplates what the capacity of the human capital in that area must be.

As I said, the Mid West is a very exciting region. It is a region in which I worked prior to the resource industry really taking off in that area. I had the opportunity to live and work in and around Geraldton in the early 2000s. It was a pretty depressed place back then. As the member for Balcatta has observed, many of the shops were shut or had no customers. People were pretty downcast about the economic future of the region. I had the great fortune to go back to Geraldton some years later—I think in around 2006—and I could see that there had been a complete transformation of the town. There were a number of reasons for that. People saw the investment that was taking place under the Labor government. People saw the great benefits associated with the southern gateway development. People saw the great economic opportunities that were starting to flow through as a result of the investment that the Labor government had made in the Geraldton port. People saw the opportunities that were coming not just from direct participation in the resource industry, but also from the industries that would service that industry.

This bill as it is passed by this Parliament will add to that excitement. It will add to the sustainability of this region and it will add to the growth of this region. It is for that reason that I commend this bill to the house.

MR M.J. COWPER (Murray–Wellington — Parliamentary Secretary) [3.09 pm] — in reply: First of all, I acknowledge the contributions of the members for Gosnells, Geraldton, Balcatta and Kwinana. I acknowledge their keen interest in ensuring that this bill proceeds through this place expeditiously. As I listened to the discussion on this bill, I noted that members wandered off the bill a little, but I was quite happy to engage in that discussion and I reflected on the words of our national anthem. In the second verse it states that we should all combine to advance Australia fair. I believe that if we applied that spirit to projects in this great state, we would all be better off.

The ACTING SPEAKER: Members!

Mr M.J. COWPER: Conversely, I stepped out of the chamber for a moment during question time to grab a bite to eat and I was watching the antics from the members' bar. I was concerned about what the students who were visiting Parliament today might have thought about the goings-on. I tried to reflect on how question time would

sit in comparison with this debate. Only 20 minutes after question time there is an air of cooperation on a bill that is important to us all. I thought to myself, “Are we being productive in this place?” I know we are being productive now, but that is not always the case. I have made those comments not to have a shot at anybody, but simply as something for members on both sides of the house to reflect on.

The Railway (Tilley to Karara) Bill is urgently required for the long-heralded and long-awaited expansion of the Mid West. It has been recognised for some time that Geraldton and the Mid West have great potential. There have been a few false starts along the line. Although this is only a small bill in the scheme of things—it provides for 70-odd kilometres of railway line—it is the first stage of what will hopefully generate a lot of interest in not only the Karara mine, but also expansion into the areas to the north up to Jack Hills and potentially the extension from Karara to Yilgarn and Leonora. It throws up a lot of options in the state’s capacity to move freight not only within Western Australia, but also from west to east. I note the very interesting challenges that are presented with various gauges and axle loadings. Yes, it is not without its challenges and these things need to be worked through. If we work on the premise that we are working cooperatively for the best interests of the people of Western Australia—I speak also of the traditional landowners in the area, the Yamatji people, and the other Aboriginal groups that will be affected—it is important that these things be taken into consideration.

In contrast, the expansion of the Pilbara was predominantly done by Hamersley Iron, Robe River and BHP Billiton Ltd, which I think in those days was called Mt Newman Mining Co Pty Ltd. The infrastructure, including the rail and port infrastructure, was put in place predominantly by the mining companies. Of course, years later there is a bit of a problem with accessing the rail because of the agreements that were reached at the time. I think the state has learnt from the mistakes that occurred in the Pilbara, and we have tried not to replicate those in this case so that we can have a competitive market. In that way, not so much the big miners like BHP and Rio Tinto, but some of the small to mid-sized operations can take advantage of what is potentially a very big area of mineral wealth, not just with iron ore, but also with other minerals.

I know that members opposite in particular get very nervous when I talk about uranium. Given the amount of uranium that would be exported from Australia, I do not think there would, in the foreseeable future, be a requirement to export it from Oakajee, as handling facilities exist in the Northern Territory. My understanding of the industry—not that I am particularly familiar with what happens with uranium mining—is that most of the uranium goes out in shipping containers. In any event, unless there were some huge demand or increase in need for the product, I do not see any opportunity or requirement for it to be exported from either Geraldton or Oakajee in the short term. But things do change; I acknowledge that. I just needed to park that one up for the time being, because at this time the focus of the state government is to get that iron ore in the Mid West happening. As has been detailed in the very good contributions by members, that is not without its challenges, and I will speak about some of the issues that were raised by members opposite.

Firstly, the member for Gosnells spoke about the strategic rail corridor report that was not made available to him until just recently. Of course, I, too, find it challenging sometimes trying to access things, not because they are not available to us, but perhaps because we have not been given the right directions to find them. In this case, this public document was available on a website. I note that the member now has access to it. We can always improve notice of documents. It also comes down to members making themselves available to the way in which information can be provided. Members have a bit of responsibility to make themselves a bit more familiar with those things. The request from Mr Travers’ office was responded to by the minister’s office as soon as it was received. I apologise for any delay, but I understand that the member now has that and he is happy with the outcome.

This bill is the first stage of a range of issues that need to be addressed for the development of such an important new project in the Mid West. The Premier has just walked into the chamber. He has come under some criticism about his vision. I think we need a leader with vision to say that we have some things that we need to get over. They are not without challenges, as members have alluded to. The Mid West and Geraldton, as demonstrated by the member for Kwinana and the member for Balcatta, have had a few mis-starts. I am sure that if the member for Geraldton were in the chamber, he would be able to detail the ups and downs of the people of the Mid West. I believe that this is the dawn of an opportunity for the people in that part of Western Australia. It is often bypassed on the way to the Pilbara or Kimberley. I think this area will throw up some very interesting lifestyle options. People who wish to come to this great state can look at options to set up a life for themselves. People in the Mid West probably have a better quality of life than perhaps do those in the Pilbara. I have lived in both the Pilbara and the Kimberley, and I can assure members that although it is very pleasant at this time of year, it can get very hot and tiresome during the wet season. There are countless days of temperatures in the 40s. The Mid West will throw up some great opportunities for people to establish themselves in a very good part of the world. I am sure that the member for Geraldton will at some stage add to those comments.

The situation that concerns me—this is from a private perspective—is that the Karara mine has given a commitment. It has invested a lot of money in this project. One of the questions that were asked is: is the rail line ready to go? Yes, it is. The project is shovel ready. It has the easements for the 74 kilometres of railway line from Tilley to Karara. A lot of the materials have already been assembled and are ready for commencement. The member for Balcatta mentioned that it is hoped that this project will be completed by the third quarter of next year. I agree that that is somewhat ambitious, but that just goes to show the importance of this piece of legislation and the need for it to be passed as soon as possible. I appreciate the member for Balcatta's assistance in this matter. I am sure that the government and the people of Western Australia do as well.

The bill has come about because the Public Works Act 1902 provides that we must have a bill for railways. It is interesting to note that ours is the only state in Australia that has this sort of legislation. Perhaps that is a debate for another day, but there will be plenty more of these types of railways, hopefully in the near future, particularly in those areas that I have described, perhaps out to Leonora and up to Jack Hills and other places, which would interconnect with the greater rail system. Of course, that in itself creates capacity issues. The member for Kwinana raised the issue of how we go about the logistic juggling act of getting freight on those railway lines. At this time, many railways in regional areas are underutilised. With the opening of the mines, they will become more effective and more efficient. I believe, along with members on the other side, that it is the most cost-effective way of getting the product to the port and, obviously, to our trading partners. The issue of capacity will not be without its problems, but there is only one thing worse than having overcapacity on a rail line and that is not having enough capacity. I think that as these projects develop and interest is shown in these various deposits throughout the Mid West, the problems will be solved as we go along. We do not have all the answers to all the questions of what might happen in the future. We do not have a crystal ball in many respects. What we are doing is kicking off this whole project so that it can get off the ground and create opportunities, employment and all those great things that we expect in Western Australia.

One thing that concerns me, though—I do not think it is inappropriate to mention it—is that I hate to think these projects would become unviable because of a Prime Minister who has engaged in a super profits tax. It is pretty safe to say that there is a reduction in confidence in our state at the moment in projects that are on the drawing board. We have heard various people say that they will shelve various projects around the place. I would hope that that is somewhat of a reactionary comment. However, it impacts on the confidence of not only the people of Western Australia and Australia generally, but also the people investing in this part of the world. From talking to people in the mining industry and in my own electorate, and I refer to Alcoa, they are certainly unaware at this time of how the profits tax will impact upon them, because they are really not quite clear what the implications will be for their industry. I had a discussion last week with the managing director of Alcoa, Alan Cransberg. We discussed this very issue. He was saying that as far as Alcoa was concerned, it has other opportunities in Indonesia and Canada and such places. Given the uncertainty that exists in Western Australia, and in Australia generally for that matter, there may well be options that Alcoa had not really given a great deal of consideration to that may be preferable given the conditions that are now prevailing in Western Australia.

I am very pleased that there is positiveness on the other side of the house. I do not want to sound like a worrywart or a naysayer. I am very much an optimistic person. I would like to think that these mines will get up and going and that we will have an opportunity to create some greater wealth for this state. However, I believe there is an elephant in the room, and it needs to be sorted out sooner rather than later. I encourage members on the other side, if they have any weight with their federal colleagues at all, to tell them that this matter needs to be cleared up for the good of all people. I say that in a bipartisan way. We are very proud to be Western Australians. We lead the country. At this time, it seems to me that the federal government is penalising the strong rather than helping the weak get stronger. I think I have said enough on that.

Going back to the bill, I would like to provide some further answers to questions that were raised. In answer to the member for Gosnells, the railway line will be interconnected with the rest of the network. It will be built as a narrow gauge initially, but the gauge-convertible sleepers can be changed to standard or dual gauge in the future. This allows for full integration in the future to the Oakajee port, to Geraldton and to Leonora if the decision is made to extend the line east. The railway will be funded by Karara Mining Ltd in exchange for a lease over the line. The railway will be government owned. Part of the rail access regime is to be open to third parties if and when required. The government will stipulate performance and maintenance schedules. Of course, that is the role of the Public Transport Authority, which the member for Balcatta was referring to.

Also in answer to the member for Gosnells' questions, without going into details, we will vote against clause 8 because it creates a double negative. I am learning as I go along from the learned members of the house. Notwithstanding that, some concern was raised about clause 8. There is only a modification to a provision in the act that would not override the provisions that are currently in there; for example, the change to the designated person mentioned in the act. The clause was never designed to prevent the application of provisions, and it is disingenuous to suggest otherwise.

Clauses 6 and 7 relate to the Aboriginal Heritage Act and the Environmental Protection Act. Notwithstanding that those clauses appear in the bill, it does not override the Aboriginal Heritage Act or the Environmental Protection Act; they take precedence over this bill.

Mr C.J. Tallentire: If it was not to override those two pieces of legislation, what was it in for?

Mr M.J. COWPER: I have another version of that one we were just speaking about.

The member for Gosnells was also talking about noise in his electorate. Yes, noise is an issue when it comes to rail movements. As the member would know, further down the track from his electorate is my electorate. Of course, with Wagerup and Pinjarra, there is an increased demand on that railway line between Perth and Bunbury. Of course, there will be some upgrading of that system with a greater freight access, particularly between Brunswick Junction and the port at Bunbury. I would like to think that in the near future, given our access to some more capital, we would be able to extend that so that we could increase the capacity and provide opportunities for passenger services beyond those that currently exist with *Australind* and other services. Of course, there are always great demands on the rail network. At this time I would not envisage there will be anywhere near those sorts of problems on the Tilley to Karara line until further down the line and perhaps when those other stages come on stream. There will always be challenges, but there is capacity for solutions to be found. Of course, we cannot have a crystal ball ad infinitum, but I do acknowledge that place strategic planning is needed when it comes to the type of rail.

In a moment I will give the member the details of the standard to which that railway line will be built, and the technical aspects. The member for Gosnells touched on some of them, but some other aspects are involved. The member is right in that it is a 32-tonne axle loading. I will give him the other details in a little while. As far as noise is concerned, when train drivers blow horns, I think they are required to do that by law; it is a safety issue. I have had constituents express concerns, saying that some of the train operators are a little overeager, particularly at two or three o'clock in the morning. They perhaps form the view that if they are not asleep, nobody else should be either. It is only the minority who may engage in that sort of activity. The vast majority are good, hardworking people. When it comes to increasing numbers of people accessing the railway line, it is safe to say that if our economy continues to grow, as I am sure the government would hope and members of this house would like to see happen, we will face these problems as we go along. Of course we may have to look at other ways of mitigating noise, whether they be sound barriers, bunding in some fashion, or even engineering measures that may be able to reduce the noise generated from trains.

I will again touch on the Environmental Protection Authority. The EPA is involved in not only the Karara mine, but also every other rail and every other project in Western Australia these days. I do not think there is an expectation among those in the mining fraternity that they can just go out there, dig up a piece of dirt and away they go. For any miner, any developer or any construction company, there are always considerations to be met that are required by law. Although I understand that it is the job of opposition members to be diligent in their scrutiny of this legislation, we can rely only on the effectiveness that exists already in the current legislation and that our relevant governing authorities are doing their job to the optimum level.

Mr J.C. Kobelke: I ask the parliamentary secretary—I realise he is not the minister—regarding how far things are advanced in planning access to land or dealing with neighbouring landholders. Is that locked away or still to be progressed?

Mr M.J. COWPER: I have the member for Balcatta on my list.

Mr J.C. Kobelke: You will get to it; thank you.

Mr M.J. COWPER: I am still working through G at the moment; I will get to the member for Balcatta's question in a moment. There are lines that are connected to the rail lining issues and the actual loadings. Rail lines that are not connected do not need to have the same axle loadings. I am not sure what that means, but, basically, I read that to mean that there are varying standards, as the member for Balcatta pointed out. Of course there are going to be —

The ACTING SPEAKER (Mr P.B. Watson): Members, if you want to talk, go outside. I want to hear the parliamentary secretary.

Mr M.J. COWPER: You want to get your hearing tested, Mr Acting Speaker!

The ACTING SPEAKER: No. I am thinking about Hansard.

Mr M.J. COWPER: You are going very well; thank you very much, Mr Acting Speaker.

Fortescue Metals Group railway has a 40-tonne axle loading, but it is a dedicated iron ore railway. It has therefore been designed to a certain specification for the sole purpose of carting iron ore. Part of this railway line already exists and obviously has been used in the past—and hopefully into a long future with a bit of help from some rain around the place—for other products including wheat, grain and other useful products that can utilise

that. I am not sure whether it was the member for Balcatta or another member, but one member touched on the fact that we need to make those railway lines as efficient as possible with an optimum level of carriage so that the best return can be achieved. Obviously, the benefit of that is getting trucks off roads and, of course, cost effectiveness to make us even more competitive in the global marketplace.

Oakajee Port and Rail does not have exclusive use. The Oakajee railway will also be part of the rail access regime and be open to third parties. Of course that is the lesson, I imagine, that we learnt from the 1960s and 1970s when mining in the Pilbara was established. Obviously, there have been some challenges there in relation to FMG trying to get its licence. I think it is pretty well known that there were some issues and challenges in the courts as to legalities, which I think subsequently resulted in FMG going ahead and building a lot of its own railway line these days, particularly in the localities of its mines. As far as that is concerned, the railway will be government owned and leased subject to an agreement with the government.

The question that the member for Balcatta asked was in relation to the feasibility work, most of which is complete; therefore, the rail corridor has been determined. The final alignment will be within that corridor. I have some technical, geographical coordinates with me, if they are of particular interest to the member, although I am not sure that they would be as they are Latin long.

Mr J.C. Kobelke: I have seen those; thank you.

Mr M.J. COWPER: All surrounding landholders have been worked with for some time and will continue to be involved in the process during construction. This includes native title owners. Karara has much of the material ready to commence construction once all the approvals have been received and the project is ready to go. Again, that highlights the importance of progressing this legislation as quickly and efficiently as possible.

Mr J.C. Kobelke: Do you know whether they have already got contractors engaged or do they have to go through that process?

Mr M.J. COWPER: I do know that there are some contractors there, as a friend of mine is currently working there, but I am not quite sure of the capacity or dimension of the work. I do know that the company is working away busily. I am actually looking forward to going there and having a look. I think it is important that we go and have a look at that project. I am not sure whether the Premier has been there and had a look at the Karara mine yet.

Mr C.J. Barnett: Yes. I shovelled the first load of dirt to start construction before Christmas.

Mr M.J. COWPER: Before Christmas! My friend has been there since Christmas putting in ablutions and work camps and the like.

Mr J.C. Kobelke: I think that's for the mine site. Our question relates to the development of the rail line.

Mr M.J. COWPER: I know what the member is saying, but I would envisage that it is probably part and parcel of the same project, although the company responsible for the construction would have contractors there. I know of at least three different contractors that are currently working there; in what capacity, I am not quite sure. But my reliable information is that they are getting ahead with the work and are shovel ready to go.

The member for Kwinana raised some issues in relation to Aboriginal opportunities. Yes, I think it is now part and parcel of the expectation of people of Western Australia, or the government of the day representing the people of Western Australia, that there is opportunity for Indigenous people to have access to meaningful jobs to, obviously, raise their place in our society. I have spoken previously about the capacity issue. Also on the issue raised by the member for Kwinana, industry is working with local Indigenous people to ensure that they are involved in all these rail projects. We agree on the transfer of proponentcy on Aboriginal and environmental issues to ensure that Karara Mining Ltd is accountable. Agreements between government and Karara Mining will be secured to ensure that Karara fulfils its responsibilities in relation to safety issues and all the various aspects dealing with these mines.

If members wish to see them, I have available the technical aspects on the functions and specifications of the railway line. I am not sure that we need to go into those, but if members wish to see them, they are available and I am happy to provide them to members.

I commend the bill to the house.

Question put and passed.

Bill read a second time.

Leave denied to proceed forthwith to third reading.

Consideration in Detail

Clauses 1 to 7 put and passed.

Clause 8: Regulations —

Mr M.J. COWPER: The aim of the bill is to facilitate the development of an important piece of infrastructure in the Mid West that would utilise a new approach to the development of public works under the Public Works Act 1902. As outlined in the second reading of the bill, the rail will be designed, constructed, commissioned and operated by Karara Mining Limited, overseen by the Public Transport Authority. The insertion of clause 8 was an attempt by parliamentary counsel to guard against an unforeseen circumstance that could arise as a result of this new approach that might require the need for modification of a provision in other acts—that is, to designate a different person to carry out an obligation under another law. The government prefers not to include such a provision if it is not absolutely necessary. The government has been unable to identify any circumstances under which the clause may be called into use and therefore it is disinclined to incorporate this clause into the legislation. As was detailed in the second reading speech and in discussion, I advise the house that the government will be voting against this clause.

Mr C.J. TALLENTIRE: Like the government, the opposition will vote against this clause. We have provided sufficient detail to the house explaining our reasoning behind that and I do not think I need to repeat myself. Clearly, we do not want to see clauses such as this, which are a potential attack on the sovereignty of the Parliament. Those words have been expressed by others. We do not want to see such clauses in future legislation.

Clause put and negatived.

Schedule 1 put and passed.

Title put and passed.