Legislative Assembly

Thursday, 5 November 1992

THE SPEAKER (Mr Michael Barnett) took the Chair at 10.00 am, and read prayers.

STATEMENT - BY THE SPEAKER

Handbell for Divisions

THE SPEAKER: I am advised that the electronic fault with the ringing of the bells is still with us and it may be that when, and if, it is necessary to ring the bells during the day the electronic systems in some of the rooms may not work. I caution members now about that and indicate that until I am assured by the workmen involved that the matter has been resolved any divisions will be called for a period of four minutes and an attendant will be sent around the corridors ringing a handbell.

PETITION - COLLIE COAL FIRED POWER STATION PROPOSAL REJECTION

MR CLARKO (Marmion) [10.06 am]: I present a petition couched in the following terms -

> To: The Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.
>
> The petition of the undersigned citizens of Western Australia respectfully showeth that:
>
> 1. We wish to reject the proposed 600MW coal-fired power station to be built at Collie.
> 2. We wish you to urge SECWA to implement a peak load avoidance scheme.
> 3. We wish you to urge SECWA to explore more economical energy efficient and environmentally sound alternatives to meet our State's future energy requirements, such as:
>
> cogeneration
> combined cycle gas power stations
> consumer level energy efficiency measures
>
> Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 58 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 127.]

PETITION - BRIDLE PATH REQUEST, NORTH SIDE OF REID HIGHWAY FROM SWAN RIVER VIA WHITEMAN PARK TO WANNEROO

MRS WATKINS (Wanneroo) [10.08 am]: I have a petition couched in the following terms -

> To: The Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.
>
> We the undersigned . . .
>
> seek a bridle path to be provided along the north side of the proposed Reid Highway from the Swan River via Whiteman Park to Wanneroo, and furthermore, that all bituminised roads in the rural areas of the route, to have one verge cleared of debris, to allow horse riders free passage without having to ride on the bitumen surface, and for all undeveloped road reserves

controlled by local authorities to be provided with a fire break that may be used as a bridle path by horse-riders and as an access route by emergency vehicles.

Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears eight signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 128.]

PETITION - NEW COAL FIRED POWER STATION PROPOSAL

Negotiations Suspension

MR McGINTY (Fremantle - Minister for the Environment) [10.09 am]: I present the following petition -

To: The Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We the undersigned residents of Western Australia request that the Government suspend all negotiations for a new, coal-fired power station and that it:

(1) initiate a vigorous program of demand management and energy conservation; and

(2) develop and implement a strategy to meet any additional demands for electricity on the basis of power supply options which are environmentally, socially and economically sound; and

(3) involve the public in reviewing these programs and strategies.

Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 102 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 129.]

PETITION - NARROGIN REGIONAL HOSPITAL

Laparoscopic Cholecystectomy Surgical Procedure Need

MR WIESE (Wagin) [10.10 am]: I present the following petition -

To: The Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned request the Minister for Health to intervene in the matter between the Health Department and the people of the region serviced by the Narrogin Regional Hospital to ensure that the Hospital offers the laparoscopic cholecystectomy surgical procedure to suitable patients. We make this request to the Minister on the grounds that:

1. The Royal Australasian College of Surgeons recognises Dr Lai's competency to perform the procedure.

2. The doctors have provided from their own resources, most of the equipment. The operation has been performed at the hospital with the existing equipment.

3. The procedure is, in many cases, preferable to the traditional surgical method because the in-patient hospital time and the out-patient recovery time is considerably reduced resulting in less cost to the health system and the community as people return to the work force much sooner than when recovering from the open surgical method.

4. The cost to the Health Department of the new procedure is comparable to the

previous method because most of the equipment does not have to be disposable and may be sterilised and used again.

5. Country people are being denied equality of access to the latest health technology by the Health Department's continued refusal to allow the procedure to be performed at the Narrogin Regional Hospital.

Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 219 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 130.]

ACTS AMENDMENT (ANNUAL VALUATIONS AND LAND TAX) BILL

Second Reading

DR LAWRENCE (Glendalough - Treasurer) [10.13 am]: I move -

That the Bill be now read a second time.

The Bill contains measures which will -

require unimproved valuations used for land tax and other rating and taxing purposes to be updated throughout the whole of the State at the one time, preferably annually; and

allow regulations to be made to give landowners the option of paying land tax assessments by instalments.

Over the past few years this Government has gone to considerable lengths to ameliorate increases in land tax assessments brought about by increases in land values as determined by the Valuer General. Indeed, relief measures can be traced back to the 1985-86 assessment year when legislation was passed to provide an across the board 10 per cent reduction in all land tax assessments in that year and again in 1986-87. That was followed in the 1987-88 assessment year when the land tax rate scale was changed for the first time in many years to provide relief to all taxpayers. Legislation was then introduced with effect from 1988-89 to increase, from three years to four years, the period over which valuation increases were to be phased in.

In 1991 the Government introduced special legislation to quash all 1991 general revaluations of land, thus reducing the 1991-92 land tax liability of some 50 000 taxpayers. More recently, further special legislation was passed to require 1992-93 land tax assessments to be assessed on exactly the same valuations as were used for 1991-92 unless a value had been reduced, in which case that lower valuation would apply. In other words, for the current financial year there will be no increase whatever in the amount of any land tax assessment except through the acquisition by a taxpayer of additional land or by exempt land becoming taxable.

The fundamental problem with the land tax scheme is the cyclical arrangement under which the Valuer General has had to undertake land revaluations throughout the State. It has been possible for him to revalue only a portion of the State each year, generally on a three or four year cycle but in the case of a few country regions longer. The present provisions of the legislation under which valuation increases are phased in over a number of years, of course, provide some relief from the effect of valuation increases; but it is still an inadequate system. The best and most equitable solution is for all valuations to be established at a common date and for the scale of land tax rates to be reviewed and, where appropriate, revised at the same time. However, because a comprehensive revaluation of the whole State at a common date has not been possible, a regular review and adjustment of the land tax rate scale has also not been feasible. This is because if rates were adjusted only by an amount which ensured that total land tax revenue was not diminished, the need to apply the new rates to properties which had not been revalued as well as to those which had been revalued would generally provide little more than token relief to the latter.

For some time now funds have been provided to the Valuer General for the development of a computer assisted approach to revaluations. The Valuer General is presently completing this new system which should enable him to undertake a revaluation each year of all land in the State.

The Bill does away with the system of phasing in valuation increases and provides that revaluations may be brought in only when a revaluation of the whole State has been completed. The Bill requires the Valuer General as far as possible to undertake a revaluation annually, but if the whole State cannot be completed in a particular year then the revaluation cannot be adopted. The first Statewide revaluation will be available for 1993-94. It follows, of course, that a review of the land tax scale of rates will have to be undertaken before 1993-94, with a view to any consequential amendments to the Land Tax Act being passed early in that year for application to 1993-94 assessments.

As valuations made under the provisions of the Valuation of Land Act apply for all rating and taxing purposes, the Bill provides for minor consequential amendments to the Local Government Act, the Land Tax Act, the Metropolitan Region Improvement Tax Act and the Water Authority Act so that all rating and taxing authorities will continue to operate under a uniform system of valuations.

The Bill also confers a power for regulations to be made to give landowners the right to elect to pay their assessments in a number of instalments. Members will no doubt be aware of the general arrangements under which the Water Authority of Western Australia allows its rates and charges to be paid over several instalments. The land tax instalment scheme will be based along similar lines. The power to make regulations will include a power to specify that a discount be allowed where full payment of a land tax assessment is made by the normal due date and for an interest component to be charged where it is paid by a series of instalments. Although many landowners will no doubt continue to pay their assessments in full by the due date, I am sure that all will be pleased that the opportunity will be there for them to adopt the instalment plan whenever they wish. I commend the Bill to the House.

Debate adjourned, on motion by Mr C.J. Barnett (Deputy Leader of the Opposition).

LOAN BILL

Second Reading

DR LAWRENCE (Glendalough - Treasurer) [10.18 am]: I move -

That the Bill be now read a second time.

This Bill seeks the necessary authority for the raising of loans for two purposes. Firstly, to help finance the State's capital works program as detailed in the General Loan and Capital Works Fund Estimates of Expenditure tabled on 1 September 1992 and, secondly, to enable the State to assume responsibility for the debt raised on its behalf by the Commonwealth under the 1927 Financial Agreement between the Commonwealth and the States. Authority to borrow for the purpose of redeeming maturing Financial Agreement debt was provided for in the Loan Act last year and will continue for a number of years until the State assumes full responsibility for this particular category of debt. Redemption of maturing Financial Agreement debt is in accordance with the agreement between the States and the Commonwealth that the States would assume responsibility for this debt on a phased basis over the period 1990-91 to 2005-06.

The Commonwealth compensates the States and Territories for the additional borrowing cost of this change based on interest margins between Commonwealth and State debt applying at, and prior to, the change. In addition, the Commonwealth provides compensation for its reduced sinking fund contributions due to the accelerated decline in outstanding debt on which those contributions are based. The borrowing authority being sought this year for the raising of loans is up to a maximum of $540 million, comprising authority of up to $350 million for public purposes generally and authority of up to $190 million for redemption of maturing Financial Agreement debt. The level of borrowing authorisation is determined after taking into account the unexpired balance of previous authorisations as at 30 June 1992.

It is also necessary to have sufficient borrowing authority to cover works in progress and maturing Financial Agreement debt for a period of up to six months after the close of the

financial year, pending the passing of a similar measure in 1993. Indeed, it is estimated that the balance of the authorisations at 30 June 1993 will be $166.5 million of which $104.1 million relates to borrowings for public purposes generally.

I have already outlined the highlights of our capital works program in the Budget speech and I do not intend to cover that ground again today.

The machinery nature of this Bill is consistent with the Loan Act 1991 which contained, for the first time, the additional authority to borrow for the purpose of redeeming maturing financial agreement debt.

In accordance with clause 4 of the Bill, the proceeds of all loans to be raised under this authority for public purposes generally must be paid into the General Loan and Capital Works Fund, as required under the provisions of the Financial Administration and Audit Act. Moreover, no funds can be expended from the General Loan and Capital Works Fund without an appropriation under an Act passed by this Parliament. Clause 4 also provides that the proceeds of all loans raised under this authority for redeeming maturing financial agreement debt must be credited to an account called the Redemption of Financial Agreement Debt Account which is to be part of the trust fund under the Financial Administration and Audit Act 1985 and that moneys in the account are to be used only for the purpose of redeeming maturing financial agreement debt.

In addition to seeking the authority for loan raisings, the Bill also permanently appropriates moneys from the Consolidated Revenue Fund to meet principal repayments, interest and other expenses of borrowings under this authority.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Kierath.

Message - Appropriations

Message from the Deputy of the Lieutenant Governor and Administrator received and read recommending appropriations for the purposes of the Bill.

WORKERS' COMPENSATION AND REHABILITATION AMENDMENT BILL (No 2)

Second Reading

MRS HENDERSON (Thornlie - Minister for Productivity and Labour Relations) [10.22 am]: I move -

That the Bill be now read a second time.

In June 1991 Mr Rob Guthrie of the School of Business Law, Curtin University, was appointed by the Government to conduct an independent inquiry into the workers' compensation dispute resolution system in Western Australia. This was in response to concerns about delays in the workers' compensation system and followed a commitment given in Parliament in 1990 by the former Minister, Hon Gavan Troy. Ongoing concerns have been expressed by a range of organisations including the Trades and Labor Council, the Chamber of Commerce and Industry of Western Australia, the Workers' Compensation and Rehabilitation Commission, the Injured Persons Action and Support Association, the medical profession, insurers and members of the legal fraternity.

The conduct of the inquiry was based on extensive consultation among members of the bodies represented on the Tripartite Labour Consultative Council, and all interested parties were invited to provide written submissions. To ensure consultation occurred with those who operate in the system a reference group was established to consult and provide advice to Mr Guthrie on the preparation of his report. The reference group comprised representatives of the Trades and Labor Council, Law Society, State Government Insurance Office, Chamber of Commerce and Industry of Western Australia, Insurance Council of Australia, Australian Medical Association, Injured Persons Action and Support Association and the Workers' Compensation Board.

The inquiry examined the problems inherent in the existing system with particular reference to improving communication and minimising delays in the resolution of disputed claims. A

number of the proposed amendments will change procedures for the resolution of disputed claims to minimise delays and maximise the accountability of the various parties for resolution of disputes. In this regard emphasis has been given to the balance between cost effectiveness and the needs and aspirations of workers and employers.

In addition to amendments flowing from the Guthrie inquiry a small number of urgent miscellaneous amendments, which have been developed through the Tripartite Labour Consultative Council, have also been included in the Bill. Through this process recommendations for reform of both the legislation and administrative arrangements were developed. The major legislative recommendations of the Guthrie inquiry form the basis of this Bill to amend the Workers' Compensation and Rehabilitation Act.

The review of the workers' compensation dispute resolution procedures was based on the following broad principles: Firstly, minimising delays in the resolution of disputed claims; secondly, maximising the accountability of the various parties for resolution of disputes; and thirdly, providing an efficient and cost effective facility for resolving workers' compensation disputes. The reforms arising from the review cover the following major areas: Case flow management; system control and administration; and dispute settlement procedures.

To accord with the principles of case flow management the Bill proposes a range of amendments designed to improve the supervision and control of movement of all workers' compensation cases thereby expediting the resolution of disputes and it provides for the monitoring and review of the progress of cases to identify at an early stage those which may be protracted so that they may be given special attention. Under the principles of case flow management an insurer or self-insurer will be required to specify in appropriate notices to the parties concerned the grounds upon which a decision regarding liability is unable to be made within the time specified in the Act, or alternatively the basis upon which a claim for compensation has been declined.

This amendment addresses the current situation whereby insurers can deny liability or notify a need for more time to determine a claim without providing reasons. To complement this requirement the Bill proposes that where an insurer has notified the board that more time is required to determine a claim but has still not decided the claim within 10 days of making the notification, the claim is deemed to be disputed. To resolve these disputes the Bill provides a role for a board monitor who will be empowered to direct the insurer or self-insurer to file an application with the board for the matter to be heard and determined. In order to provide an incentive to parties to settle disputes at pre-trial conferences rather than allowing settlement to be deferred to full scale trials, the registrar of the board will have the option to make interim orders at the pre-trial conference.

The Government has accepted Mr Guthrie's recommendations that to enable the Workers' Compensation Board to operate effectively and accountably it must assume full responsibility for its own administration and finances. Accordingly, control of the board's registry, which currently lies with the Workers' Compensation and Rehabilitation Commission, will be transferred to the board itself. Under the current legislation the salaries of the board and its staff, and its other expenses, are paid from the workers' compensation and rehabilitation general fund. The operations of the board will continue to be financed from the general fund, but an amount approved by the Minister will be transferred from the fund to a new workers' compensation board working account to be administered by the board. In administering this account the board will be subject to the requirements of the Financial Administration and Audit Act. The board will be responsible to the Minister of the day with regard to its administration, while retaining total independence from Government in the exercise of its judicial role. The Government is confident the administrative and financial autonomy of the board as outlined above will facilitate significant improvements in the efficient and effective operations of this body.

The Bill also empowers the Governor, on the recommendation of the Minister, to appoint a deputy chairman of the board and the nominee members who sit with him for not more than five years instead of the present one year. This will ensure continuity in decision making and will encourage the retention of persons of suitable calibre in these important positions. The Bill specifies clearly defined procedures for handling claims and for expediting the resolution of disputed claims. There have been a substantial number of complaints that employers have withheld compensation paid to them by their insurers and intended for injured workers. To

discourage this practice, the Bill provides that an employer who has received workers' compensation payments from the insurer but fails to pay the compensation to the worker for whom it is intended within the time limits specified by the Act commits an offence and is liable to a maximum penalty of $2 000.

While existing section 61 of the Act provides that a worker can dispute an intention by his/her employer to reduce or cease his/her weekly payments by filing an application to the board in chambers, a recent Full Court decision deemed these matters must be heard in open court when the parties have produced conflicting affidavit evidence in chambers hearings. As this decision has the potential to greatly inflate the substantive hearings list and accentuate existing delays at the board, the Bill empowers the board in chambers to resolve any application based on the evidence before it without the need for the board to cross-examine the deponents of affidavits. This will restore the status quo and allow the board to operate on the same basis as before the Full Court decision.

The Bill also makes consequential changes to sections 58 and 60 to ensure applications under these sections can be heard in chambers. Under section 62 in the existing legislation, workers or employers may also apply to the board for an order that weekly payments of compensation be discontinued, reduced or increased. The board rules currently permit such applications to be heard in chambers rather than at substantive hearings and this has sometimes resulted in this section being used for matters which should have been dealt with under section 61 which contains specific safeguards for the worker. The Bill addresses this problem by stipulating that such applications can be made only via a substantive application, thereby ensuring section 62 can be used only to discontinue or reduce weekly payments after an open hearing.

The Bill also permits workers to pursue their entitlements directly against the insurer where the employer is a company which has commenced to be wound up, or where the employer has ceased to carry on business or the type of business to which the contract related. The amendment overcomes an unintended oversight in the Act which prevented some workers from obtaining the compensation to which they were entitled because their employing companies had not yet completed the process of being wound up.

Under the existing legislation, a worker whose medical and associated expenses have exceeded the statutory limit may apply to the board for an extension of entitlement of up to $50 000. In determining the payment of additional medical and related entitlements beyond the statutory limit, the board is currently required to take into account the worker's capacity to meet his or her reasonable medical expenses from any source available to him or her, including weekly payments under the Act. The Government has accepted the view that this provision has been more onerous in its operation than was intended, and accordingly the Bill deletes this requirement. This rectifies an inequitable situation where a worker can be denied further medical expenses if the worker possesses liquid assets, such as the deposit on a house. The board will still be required to have regard to the social and financial circumstances of the worker and his or her reasonable financial needs when considering applications for further medical expenses.

To ensure workers are alerted when their medical entitlements are running out, the Bill requires the insurer/employer to notify the worker when the worker has reached 75 per cent of the statutory limit for medical and related expenses. Furthermore, the Bill will permit the worker to apply to the board in advance for payment of up to $50 000 in medical expenses beyond the limit when the worker has utilised 75 per cent or more of the limit. This is intended to eliminate the current situation where workers must embark on the financially risky course of incurring additional medical expenses before applying to the board for an extension.

An amendment to provide for a worker to seek compensation from the workers' compensation and rehabilitation general fund in a case where the insurer refuses to indemnify an employer under a policy of insurance clarifies that workers who have a genuine entitlement are not to be denied compensation as a result of an alleged act or omission committed by the employer. I emphasise that it is not intended that this will provide an avenue for insurers to avoid their legitimate obligations under insurance policies, and to guard against this the Government has introduced a new provision which stipulates that an insurer is not to decline to indemnify an employer unless it can be proved that the insurer has

suffered prejudice. If the insurer can prove this, it is only entitled to decline to indemnify the employer to the extent of the prejudice suffered.

To enhance the dispute resolution process, the Bill provides for the board to permit persons who are not legal practitioners to receive a fee for representing a party in chambers proceedings only, provided they have signed a written undertaking to be bound by a prescribed agent's code of conduct. Agents will be permitted to represent parties in these less formal hearings at the board, and the board may order that they be paid a fee in accordance with a scale of fees for agents which will be prescribed. The board may investigate complaints into the conduct of any agent who appears for a party. This provision is consistent with existing board powers to inquire into the conduct of medical practitioners and other providers. If the board finds that an agent did not act in accordance with the code of conduct, it may fine the agent or order a refund of fees. It may also withdraw permission for the agent to appear before it.

The Bill empowers workers to request from employers and insurers "relevant documents" before proceedings have commenced. Such documents include contracts of service or apprenticeship, records of wages or other remuneration paid to the worker, medical reports and vocational rehabilitation reports. This requirement will remove a current shortcoming in the Act whereby workers may request only medical reports, and only in circumstances where a dispute exists.

The Government, through the findings of the Tripartite Labour Consultative Council and the Guthrie reference group, acknowledges the need for the board to have direct, uncomplicated access to expert advice on the medical condition of a worker who appears before it. As the existing legislation already provides for the establishment of medical advisory panels, the Bill confers upon the board an ability to refer a worker to such a panel for an opinion in relation to the medical condition of that worker, without the worker or employer having requested the reference. The board may have regard to the findings of such a panel, but these findings shall not be binding upon the board. This option will enable the board to speedily obtain independent medical advice in cases where the parties have presented conflicting medical evidence which is delaying resolution of a claim.

In addition to the range of amendments arising out of the Guthrie inquiry, a number of miscellaneous amendments have been endorsed by the Tripartite Labour Consultative Council and amalgamated with this Bill. In response to a request from the Anglican Church, the Bill extends coverage under the Act to all Anglican clergy and not just to priests as currently specified in the Act. The Anglican Archbishop of Perth is deemed to be the employer. As a result of a court ruling, employers who make weekly payments of compensation to a worker have been unable to cease payments when the worker has returned to work with another employer, except by obtaining an order of the board. Under this Bill, an employer will be empowered to discontinue or diminish payments in accordance with particulars supplied by the worker which confirm that the worker has obtained remunerated employment. The Act will require the worker to furnish such particulars when requested by the employer. This amendment will facilitate adjustments to weekly payments of compensation without having to obtain an order of the board where there is clearly no dispute that a worker has genuinely commenced remunerated work with an employer other than the employer in whose service he or she was injured. The Bill revises the existing provision in the Act for the Minister to issue directions to the commission and introduces a power for the Minister to have access to information in the possession of the commission for parliamentary purposes or in order to conduct public business. This amendment reflects the standard provisions approved by Cabinet in January 1990.

The Bill before the House seeks to introduce changes which will provide for a faster, cheaper and fairer system of resolving workers' compensation disputes. The Guthrie inquiry was prompted by the system's becoming extremely complicated and legalistic, resulting in frustrating delays for injured workers and their employers which sometimes lasted for years. The amendments which I have outlined have been developed as a result of the widest possible consultation with all interest groups in the workers' compensation field. The proposals are designed to improve the administrative efficiency of the board, provide appropriate procedures for all parties in the system to play their proper role, and enable the board to hear and determine many disputes on a less formal basis. The Bill fulfils the Government's commitment to Parliament in 1990 to review and overhaul dispute resolution

procedures in the workers' compensation jurisdiction. It also addresses a small number of important issues which have arisen separately from the Guthrie inquiry.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Kierath.

ONSLOW SOLAR SALT AGREEMENT BILL

Second Reading

MR TAYLOR (Kalgoorlie - Minister for State Development) [10.37 am]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to ratify an agreement dated 2 November 1992 between the State and Onslow Salt Pty Ltd. The agreement has been negotiated to facilitate the development of a new solar salt project by Onslow Salt Pty Ltd in the Ashburton region. The project before the House will be the first major new salt development to be established in the State since the late 1960s. The agreement provides for an initial project with salt production commencing at one million tonnes per annum, gradually increasing to 1.5 million tonnes per annum. The ultimate capacity of the project is estimated at 2.5 million tonnes per annum. The project will employ a permanent work force of around 60 persons, it will cost approximately $85 million to establish, and could generate export income of about $20 million per annum in the initial years, increasing to $50 million per annum when full capacity is reached. The project has received from the Minister for the Environment environmental approval to proceed, following an environmental management and review program completed by the company.

The agreement provides for the grant of two mining leases. The first lease will comprise exploration licence Nos 08/335 and 08/372, and exploration licence application 08/631. The second mining lease will comprise exploration licence No 08/373. The two mining leases correspond to the initial salt project and provision for future expansion respectively.

The company proposes to accommodate its work force within the Onslow township and has given an undertaking as part of agreement obligations and environmental approval to provide training for local residents. Under the terms of the agreement, the company is also obliged to use all reasonable endeavours to ensure that as many of the company's work force as possible are recruited locally.

I now turn to the specific provisions of the agreement scheduled in the Bill before the House. Clauses 1, 2 and 3 are the standard form of State agreements, which detail the definition of terms used in the agreement; certain interpretations of references and powers contained therein; and the coming into operation of the agreement and Act. Clause 4 requires Onslow Salt to continue its engineering, environmental marketing and finance studies to enable the company to finalise and submit its detailed proposals which are required under Clause 5.

Clause 5 requires the company to submit on or before 31 December 1993, detailed proposals for the production, transportation and shipment of up to 1.5 million tonnes of salt per annum. Development proposals must address, among other matters, associated infrastructure including port facilities, power, water, roads, accommodation and ancillary facilities for its work force; use of local labour, services and materials; and an environmental management plan. Subclause (3) of clause 5 requires the company to submit details of those elements of the project it proposes to consider obtaining from or having carried out outside Australia together with reasons for requiring such works to be undertaken outside Australia. The company is required to consult on these matters if requested by the Minister for State Development. The subclause also requires the company to provide to the Minister for State Development's satisfaction evidence of its marketing arrangements, the availability of finance and the readiness of the company to embark upon and proceed with operations in accordance with the approval proposals.

Clause 6 provides for the consideration and implementation of initial proposals submitted pursuant to clause 5. Upon receipt of proposals, the Minister may approve the proposals wholly or in part; or defer a decision until such time as the company submits further proposals; or require a condition precedent prior to the giving of approval. The company is to be notified by the State of a decision in respect of the proposals within two months of their submission.

Clause 7 provides for the submission of additional proposals if the company seeks to expand production significantly beyond 1.5 million tonnes per annum or to modify significantly, expand or otherwise vary its activities beyond those specified in the approval proposals. In submitting additional proposals the company is required to comply with the provisions of the Environmental Protection Act. Consideration and implementation of additional proposals will be in the same manner as prescribed by clause 6. The company has indicated that it intends to incrementally expand salt field capacity to 2.5 million tonnes per annum by the year 2000, dependent on market demand. Any such expansion will be subject to the provisions of this clause.

Under clause 8, the company is required to submit annual and triennial reports on the rehabilitation, protection and management of the environment. The submission of an environmental program covering the following three years is also required with each triennial report. The Minister may within two months of receipt of a report request an amendment to the report or program. In addition, the Minister can require the submission of additional detailed proposals for the rehabilitation, protection and management of the environment.

Clause 9 requires the company's work force to be recruited locally unless it can demonstrate that this is impractical. The company has indicated that it intends to employ and provide training for local people to enhance their prospects of gaining employment on the project or elsewhere. This is consistent with the company's commitment given in its environmental review and management program. Subclause (1)(a) of clause 9 requires the company, except in those cases where it can demonstrate it is impractical to do so, to use all reasonable endeavours to ensure that as many persons as possible are recruited locally.

Clause 10 of the agreement provides for the issue of two separate mining leases. I now table plan "A" attached to the agreement which serves to show the House the location of the two mining leases. The area coloured blue corresponds to a mining lease to be granted for the purpose of the initial 1.5 million tonne per annum project. The red area relates to the issue of the second mining lease which provides tenure for future expansion of the salt project. This second area cannot be developed until additional proposals are approved by the State. In the event that additional proposals for the red area are not submitted by 31 December 2002, the company will forfeit its lease over this area. The company is also required to obtain Environmental Protection Authority approval for development of the red area.

Clause 10 provides for both mining leases to be issued pursuant to the Mining Act 1978 at a rental consistent with other salt agreements. The Minister for Mines will be able to set conditions on the leases, but these must be consistent with the provision of the agreement and approved proposals. Subclauses (1) and (2) of clause 10 contain a unique feature of the Onslow agreement in that they provide for the insertion of an environmental bond on each of the mining leases. The bond is to be used by the State in the event that the company fails to perform its rehabilitation obligations under the agreement. The agreement also contains provision to review the value of the bond from time to time to reflect the performance of the company in meeting its rehabilitation obligations.

Subclause (4) of clause 10 provides for the grant of the two mining leases for three consecutive 21 year periods, consistent with the terms of mining leases under the other State agreements. Subject to the company's performance of its agreement obligations, subclauses (5) and (6) provide for the exemption of mining Act expenditure conditions for mining leases and exploration licences held under the agreement and in the case of exploration licences exemption from the surrender requirements of the Mining Act.

Clause 11 provides for the calculation and payment of royalties. The Onslow agreement royalty provisions are consistent with those contained in existing salt agreements and will be payable at the same rate as is currently paid by the Shark Bay Salt project.

Clause 12 provides for the escalation of royalty and mining lease rentals based upon the percentage difference between a base historical salt price and the current salt price. This provision is consistent with other salt agreements. Escalation of royalty and mining lease rentals will occur at seven year intervals with the first escalation commencing 11 years after ratification of the agreement, compared to the 14 years given under earlier agreements for other new solar salt projects. The 11 year period, rather than 14, was selected to bring the escalation date into line with other salt producers. In the absence of a market value of salt for escalation purposes, subclause (2) of clause 12 provides for a market price to be agreed or

determined by the Minister and the company. If agreement cannot be reached on a fair price after three months, it is then determined by the Minister having regard to prevailing markets both outside and within the Commonwealth.

Clause 13 provides for the grant of tenure pursuant to the Mining Act, the Land Act, the Jetties Act and any other relevant Statute for the purposes of the company's operations under the agreement. The company has indicated that it intends to reside its operational work force in Onslow.

Clause 14 addresses township requirements of the salt project. The clause requires the company to enter into negotiations with the responsible Minister to achieve the assimilation of the work force into the town. The company is also required to meet the capital and associated costs of any Government services which are necessary in Onslow or other townships as a result of its operations. In addition, Onslow Salt is required to assist with the cost of providing any appropriate community facilities for the company's work force and associated population. This is consistent with commitments given by the company in its environmental review and management program to spend capital on civic amenities.

Clause 15 requires the company to be responsible for the cost of construction and maintenance of private roads. In the event that public roads require upgrading or repairing as a result of the company's operations, the company is required to pay to the State an equitable portion of the cost, as determined by the Minister, of such upgrading or repairing as is reasonably required by the Main Roads Department or the local authority.

Clauses 16 and 19 provide for water and electricity to be supplied either by the company or the State. The company intends to obtain its water requirements from the State and supply its own power requirements. Clauses 16 and 19 provide flexibility for these supply arrangements. Clause 17 enables the company to draw, take, use and discharge sea water without charge for the purpose of its operations. The clause also provides for the issue of a licence or easement for these purposes if required. Clause 18 recognises that the company will operate a private wharf within a public port. The clause also specifies the port facilities and services to be provided and maintained by the company and State respectively. The clause also provides for the use of the company's facilities by the State and third parties, subject to Onslow Salt being paid a fair and reasonable fee. The company charge is subject to ministerial approval. Subclause (5) provides for the introduction of by-laws for the purpose of levying such charges.

Clause 22 provides for the rating of all agreement lands, with the exception of the work force accommodation area and lands used for commercial undertakings not directly related to the mining operations. Rating will be on the basis of the unimproved value of the land, which is consistent with other salt agreements.

Clause 24 requires the company, subject to the fulfilment of its overseas contracts, to use its best endeavours to make salt available for use in Australia.

Clause 29 provides assurances that the State will not authorise the construction of any future works which could diminish the flow or affect the suitability of sea water so that the project is unable to draw water for salt making purposes. Clause 29 further provides that the State may authorise such construction only with the agreement of the company or by making alternative arrangements for the supply of sea water. This provides an important level of security for the sea water supply to the project.

Clause 34 specifically ensures that the agreement Act cannot override the Environmental Protection Act of 1986. A similar clause has been included in all agreements since 1972 but this is the first agreement to specifically mention the Environmental Protection Act of 1986. This recognises the effectiveness of that legislation in protecting the environment and provides greater certainty for the project. The previous wording was more general in its scope and, while being effective in its intent, was less clear in its wording compared to the present clause. The change is consistent with efforts being made within Government to provide simpler and more certain procedures for projects.

Clause 38 of the agreement restricts stamp duty exemption for company to company transactions to a set period ending on 31 December 1994. The limited stamp duty exemption was granted by the State to assist the company to attract joint venture participants to the project. Stamp duty exemption was also granted for specific instruments of transfer relating

to exploration licences 08/732, 08/335 and 08/373 from Gulf Holdings Pty Ltd to Onslow Salt. Transfer of the exploration licences is necessary, as prior to the transaction Onslow salt was not the holder of the exploration licences but a sublessee under an arrangement with Gulf Holdings. Although Onslow Salt is a majority owned subsidiary of Gulf Holdings, it is still necessary to formally transfer the licences to the agreement participant, Onslow Salt.

Clause 42 provides for the expiry of the agreement upon expiry, surrender or determination of the mining leases. Other provisions within the Onslow agreement are of a standard nature. They conform to those contained in other State agreements and do not require additional comment. I commend the Bill to the House.

[See paper No 532.]

Debate adjourned, on motion by Mr Bradshaw.

LEGAL AID COMMISSION AMENDEMENT BILL

Second Reading

MR D.L. SMITH (Mitchell - Minister for Justice) [10.52 am]: I move -

That the Bill be now read a second time.

Legal aid is the principal means by which Governments ensure that individuals in the community are not prejudiced by their inability to afford legal representation, or to obtain legal advice and information about the law and the legal system. It is one of the fundamental means of ensuring access to justice.

This Bill proposes to amend the Legal Aid Commission Act 1976 to enable the Legal Aid Commission to function more efficiently and to improve the delivery of legal aid, thereby providing greater access to justice for the citizens of Western Australia. In so doing, it is consistent with this Government's commitment to equality before the law and the availability of legal services to every person who needs them. Funding for legal aid is a finite resource, therefore it is clear that funding alone is not the long term solution to the inability of legal aid to satisfy demand. A commitment to forging new directions in legal and administrative processes must be made. This Bill embodies changes which will enable flexible and imaginative ways in which to provide legal aid services.

The Legal Aid Commission has recently adopted the major recommendations of the report by the national legal aid advisory committee titled "Legal Aid for the Australian Community". One of the principal recommendations of that report was the adoption of the solution-orientated rather than the services-orientated program management of the past; in other words, a proactive rather than a reactive approach to the delivery of legal aid. Such an approach represents a fundamental change.

Already the Legal Aid Commission has achieved change by adopting this new approach. This has resulted in an increase of 50 per cent in dollar terms for new grants of aid over the past three years. It is the only commission in Australia to have done so; it has streamlined administration within the commission resulting in considerable cost savings; and it has implemented self-help schemes, such as do-it-yourself divorce, which assist people wanting to learn how the law works and how they can use it cost efficiently and effectively. These initiatives have received an enthusiastic response from the public.

Despite the down turn in the economy and a fixed one line appropriation budget, the commission has been able to achieve these changes from within its existing budget. Greater savings and greater access to commission services can be provided by giving the commission greater flexibility in the ways it is able to contract and pay for legal or other services.

Proposed new section 14 allows the Director of Legal Aid to make arrangements with the private profession which will open its doors for greater access to legal aid services. Until now, the inflexibility of section 14 has meant that the commission has been precluded from entering into various arrangements for payment. The proposed new section will allow the director to consider any reasonable offer put to him by private lawyers which can help people gain access to justice. In addition, new arrangements can be entered into which will mean that people who at present do not qualify for legal aid can be assisted.

Under proposed new section 14, coupled with amendments to sections 41 and 42, the

commission will be able to encourage various initiatives by paying for some part of the services provided. For example, if a practitioner is willing to undertake a personal injuries case with professional fees deferred until the conclusion of the case, but cannot afford to pay for the doctor's report, the commission will be able to make a grant of aid limited to the doctor's report fee. In this way the applicant receives a grant of aid which under the current Act he or she is not able to receive. Also, the commission's costs are limited to the doctor's fee. The proposed amendments to sections 41 and 42 complement the amendments to section 41.

Occasions will arise in the future in which payments made direct by the client to the legal practitioner may be desirable. Section 41 does not currently allow a private practitioner to bill a client where a grant of aid has been made. There are good reasons for this and the section is a sensible protection for the client. However, it can work adversely to the interests of the client, lawyer and the commission. Recently, a legally aided client won Lotto. Rather than being able to bill the client for the work done under the legal aid grant, the lawyer had to bill the commission even though the client could now afford to pay. The new amendment allows the director to permit a client to make payment to the lawyer, thus releasing the commission from its obligation to pay. As the commission controls the grant of aid, the client's interests are always protected.

At present, section 39 allows the commission to impose contributions on those who can afford to pay towards the cost of the service provided. Where a person is asset rich but cash poor, the commission frequently takes mortgages over land. The present system of mortgages is inefficient and cumbersome and sees the commission having to pay stamp duty on mortgages. The amendment allows the commission to take a charge over land. It also allows the commission to impose a condition whereby payment of a specified sum by the client is contingent upon a successful outcome of the client's case. This contingency fee, coupled with the amendments to sections 14, 41 and 42, will allow for different arrangements which will benefit the client, the practitioner and the commission, and which will give many more people access to legal aid and legal services. Clients who feel aggrieved by the imposition of these conditions will be able to have the decision reviewed by way of reconsideration or review by an independent committee.

With these initiatives to provide for greater flexibility in granting aid, a corresponding need also exists for the commission to ensure that legal aid authorities and review committees grant aid in accordance with the relevant commission guidelines and policies. The current structure of the Act does not prevent review committees, comprising independent practitioners and others, from granting aid in disregard of necessary financial constraints and sometimes in inappropriate cases.

Proposed sections 15(1)(i) and 50(8) will require review committees to operate within appropriate guidelines laid down by the commission thus ensuring proper consideration of the needs of other applicants. In order to ensure that practitioners are carrying out legal aid assignments in the most economical and efficient way, proposed section 50B will require a practitioner to report to the commission at least every six months during the continuation of the assignment, or sooner if required to do so. To deter applicants from making false representations as to their eligibility for aid, an amendment to section 65 allows for increased penalties and recovery of losses by the legal aid fund.

A significant amendment is contained in the proposed new section 34A which will enable the commission to provide services more effectively in parts of the State in which the services of legal practitioners are not available. It would enable the Minister to authorise a paralegal - being a staff member of the commission or any other person - to perform certain services which would be performed by a lawyer if one were available. The commission will provide comprehensive training for any persons authorised to act under this provision and will fully support them in their work. There are restrictions on the services which can be carried out. The paralegal cannot charge for services or appear in the district court, Supreme Court or Court of Criminal Appeal. The authorisation must specify the parts of the State where the services may be performed, and the matters, proceedings and courts in respect of which services are permitted. As a further safeguard, the authority may be revoked at any time.

This amendment will have particular value in remote areas of the State where, for example, people may be held in custody pending a simple application for bail or a remand while they

wait for a lawyer. Throughout the north west and other remote areas, justices of the peace have to deal with minor offences without the assistance of a lawyer since private lawyers are not available and the cost to the Legal Aid Commission would be prohibitive. This provision is designed to meet, in part, that need. It is not proposed that authorisations will be granted where legal practitioners are readily available.

The amendment to section 51A is merely to delete the reference to the now defunct Commonwealth council and replace it with a reference to the relevant Commonwealth agencies regarding legal aid.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Bradshaw.

FISHERIES AMENDMENT BILL

Second Reading

MR TAYLOR (Kalgoorlie - Deputy Premier) [11.00 am]: I move -

That the Bill be now read a second time.

This Bill's primary purpose is to give effect to a recent Government initiative for the management of the west coast rock lobster fishery. The opportunity has also been taken to update the provisions of the Act to ensure better control of quota managed fisheries and to give effect to the decisions announced last November by Cabinet for recreational fishing in the State. The Government has already decided that the time has come for the provisions of the Fisheries Act to be completely overhauled and a new fisheries Bill to be presented for consideration by Parliament. However, this will not be possible within the existing legislative program. So the Government has decided to introduce for consideration some essential amendments to the existing Act.

The west coast rock lobster fishery is worth annually over $250 million landed value to fishermen. In fact it has been reported that last year's catch was worth approximately $278 million. The Minister for Fisheries has recently announced an economic study to determine the total economic value of this fishery and, more broadly, the entire commercial fishing industry to the community as a whole. I have no doubt that the fishing industry's worth to the economy will be several times the landed value of the product.

The fishery has a long history of stable management. In 1963 it was one of the first fisheries in the world to which entry was restricted. Since that time, the State has benefited from an increasingly efficient industry selling a high value product into markets in Japan, Taiwan and the USA. However, this very increase in efficiency does cause fisheries managers concern as boats and fishermen become better at finding and catching rock lobster. The breeding stock for the rock lobster is now less than 20 per cent of its size in the 1940s. While apparently sufficient to maintain current recruitment into the fishery, prudent fisheries management requires that this breeding stock is not reduced any further. Indeed, it is desired to enhance it while we have the opportunity to do so.

The Minister recently announced a decision on future management for the fishery, and the following measures were included -

South of 30° South Latitude - Zone C

1. Boats must nominate a "landing zone" based on 10° or 10 nautical mile zones, except for south of Mandurah. Any location south of Mandurah will be in one zone. This control will be implemented on a trial basis for 12 months.
2. The introduction of one maximum size of 115 mm for female rock lobsters.
3. A prohibition on the retention of setose and tar spot rock lobster from 15 November to 28 February inclusive.
4. A night restriction on the pulling of pots to be divided into two periods with different times as follows -

   Winter: 1 April to 3 June - 6 pm to 6 am

   Summer: 15 November to 31 March - 6 pm to 4.30 am

North of 30° South Latitude - Zones A and B

1. A summer closure to apply from 10 January to 9 February inclusive.
2. A 10 per cent temporary pot reduction to be introduced from 15 November to 9 January inclusive.
3. The introduction of one maximum size of 115 mm for female rock lobsters.
4. A prohibition on the retention of setose and tar spot rock lobster from 15 November to 28 February inclusive.
5. Boats must nominate to fish the Big Bank zone, north of the Abrolhos Islands on the appropriate form to be at the Fisheries Department in Geraldton by 1200 hours on 10 February. Boats nominated to fish Big Bank will be allowed to fish that area only from 1200 hours on 10 February to 12 March. After 12 March, zone A and zone B boats must fish zone B, including being able to remain at Big Bank. From 15 March all zone A boats must fish within zone A.
6. Night restrictions on the pulling of pots, to be divided into two periods with different times as follows -

   Winter: 1 April to 30 June - 6 pm to 6 pm

   Summer: 15 November to 31 March - 6 pm to 4.30 am
7. The area north of Cape Inscription to remain open to fishing to 12 March - the end of the whites' migration - and the research division of the Fisheries Department to facilitate the collection of data by licence holders fishing this area.
8. The 20 fathom line currently applying to A zone rock lobster fishermen whereby they may not fish in shallow water between 1 and 15 March, the opening of the Abrolhos Islands season, will be retained.
9. The Minister has asked for further advice from the rock lobster industry advisory committee whether there should be specific decisions adopted for the Abrolhos Islands for the 1993-94 season.

The Minister has indicated that this package should operate for a period of no more than three years and that the effects of the package in this time be comprehensively monitored after each season. In particular he has asked that attention be paid to the -

Total rock lobster catch;

impact on markets;

price of rock lobster;

impact of "landing zones" in the south;

measures which might increase the breeding stock from a reduction in effort at the Abrolhos Islands;

impact of the maximum size, in particular the southern area of C zone and;

any other issues that the Fisheries Department believes should be monitored.

These measures, when applied together, will hopefully result in the saving of several hundred tonnes of breeding stock over the next two seasons. Many of the measures the Minister has outlined can be accomplished through powers conferred on the Minister of the day or the Director of Fisheries. However, a number of key measures in the package require amendment to the Fisheries Act to be put in place to allow administration and compliance to occur in an effective and efficient manner.

While young western rock lobster cannot be taken until they are over the minimum size of 76 mm carapace - that is, the head length - the animals are then vulnerable to the fishery for the rest of their lives. With the current efficiency of the fleet, this means that very few survive beyond four years in the fishery. As the average female does not become sexually mature until the second year in the fishery and the number of eggs produced increases with age and therefore size, there is good sense in providing protection for these females. The Minister has therefore announced measures which will provide a maximum size for female rock lobster. Over time, this measure will see a gradual build up of large females which will

be immune from commercial and recreational fishers. The Minister believes this will provide extra assurance to ensure the preservation of the west coast rock lobster fishery.

Section 17(3(E) of the current Fisheries Act would allow the imposition of a maximum size as a licence condition for all licensees, in the interests generally of the fishing industry. However, it does not allow for the setting of size limits which apply to all classes of people in particular areas. The proposed amendment to section 24 of the Act provides for this power. It will be a useful tool in a number of other fisheries, should the need arise in the future. There is a consequential amendment to section 24A controlling the possession of overweight tails.

The management package also proposes that tar spot and setose - that is, pregnant females - be protected. This gives an additional measure of protection to the breeding stock and complements the existing prohibition on the taking of egg carrying or "berried" females. Tar spot rock lobster are females which have already mated but have not yet laid their eggs. The tar spot is in fact a sperm package which is broken by the females to fertilize the eggs as they are laid and then attached under the tail to special filaments called setae. These setae are formed in the moult just prior to breeding and are an unmistakeable indication that the female is in breeding condition. As the sperm packets can be easily removed by fishermen in an undetectable manner, the proposed amendment gives the Minister the power to prohibit the taking or possession of both tar spot and setose females. It is reasonably easy for field staff to detect setose females and for biological experts to testify if a fisherman has deliberately removed the setae. An offence will also be created if a fisherman deliberately mutilates an animal so that its maximum size or setose condition cannot be determined. Section 25 is consequentially amended to provide for different sizes by sex.

The second schedule which specifies size for various fish, has been amended accordingly. Again it would be possible to impose these measures as licence conditions for licensees only, but the Government considers they should more properly apply to all persons dealing with the fishery. Therefore, the previously mentioned amendments to the Fisheries Act are proposed to give effect to controls on the taking of oversize, setose and tar spot females. This will enable most of the key management measures for this fishery to be effected and ensure that the appropriate level of penalties apply.

The other measure in the above package, which would more properly be dealt with under section 32 of the Fisheries Act, is the requirement for "home porting" or "unloading zones". A feature of the southern sector of the fishery in particular is the large distances over which a portion of the fleet operates. This can cause severe problems for those locally resident fishermen who rely on the natural cycle of abundance of rock lobster over the season. Section 17(3)(c) of the Fisheries Act allows the imposition of a condition on the fishing boat licence to limit or define the port, harbour, wharf, jetty, beach or portion of coastline which a boat may enter or use. Again it would be preferable that this measure also be incorporated in the appropriate section of the Fisheries Act dealing with limited entry fisheries. This will allow for more efficient administration and the application of appropriate penalties in this valuable fishery.

The other measures announced in my management package can already be accomplished by provisions in section 32 of the current Fisheries Act. Section 32 of the Fisheries Act, which deals with limited entry fisheries, does not meet the requirement of modern fisheries management, particularly of the State's most valuable fisheries. The opportunity presented by this Bill has been taken to revise this entire section of the Act. Of particular consequence has been the inclusion of measures for the control of quotas in limited entry fisheries. Until recent years, world fisheries have been managed by controls on the number of boats or the amount of fishing gear that could be used; that is, there were controls on the inputs into the fishery. In recent years, fisheries managers around the world have introduced new measures which control the number of fish that can be taken; that is, output controls. This is usually accomplished by setting individual quotas for the participants in the fishery. This approach has been possible with our increasingly sophisticated understanding of the biology and stock size of the fish species being exploited. The New Zealand Government has, in fact, decided to adopt this approach for the management of all its fisheries.

Western Australia has adopted a more pragmatic approach and has introduced only four quota managed regimes to date under the Fisheries Act, in the abalone fishery, Shark Bay

snapper and two pilchard fisheries on the south coast. Only two years ago, Parliament also approved a new Pearling Act which explicitly provided for quota management in the pearl oyster fishery.

Quotas compared with input controls will gain greater prominence in fisheries management, especially where they can be effectively used to control exploitation, but allow economic efficiencies in catching and marketing to continue to be achieved. One of the reasons for this pragmatic approach of not adopting many catch quota controls has been the difficulty of enforcement and record keeping faced by the Fisheries Department. To have integrity, fish from the quota managed fishery must be able to be monitored from the time they are taken to the end product. Current controls do not allow for effective monitoring. Record keeping of quota caught and portions of quota transferred between quota holders is also not subject to strong regulatory control, but relies on the exercise of discretion by the licensing officer. This is clearly not satisfactory for modern fisheries management, often involving quota goodwill values of several hundred thousand dollars. The Bill therefore includes amendments to section 32 of the Fisheries Act with several provisions relating to the setting and administration of quotas.

Another recent trend in fisheries management which has arisen from our better understanding of fish stocks has been our potential ability in limited entry fisheries to make rapid changes to area or time openings to maximise the economic return from the fishery or more precisely, protect breeding stocks while allowing the fishery to operate in other areas; that is, "real time management". The amendments to section 32 delegate much of the real time management from the Minister to the executive director or other departmental officers. Real time management decisions are reached following close consultation with industry. An example can be found in the management of opening and closing of areas in the State's prawn fisheries in order to maximise yields and to protect breeding stock levels. The offence provision of section 32 which relates to limited entry fisheries, has been amended to create the broader field of offences necessary to cater for quota management.

One of the major difficulties associated with the prosecution of offences in limited entry and quota managed fisheries is to prove the origin of the product in question. Thus, provision is also made in the Bill for the making of an averment in a complaint by a fisheries inspector that fish were taken from a certain limited entry fishery, particularly in circumstances of individuals having in their possession commercial quantities of fish, far in excess of normal recreational bag limits. In recent cases where abalone poaching has occurred, prosecutions have been frustrated by the difficulty of gaining evidence of taking by the individuals under investigation when they refused to advise the source of the product. Clearly these resources would be carefully used in the exercise of proper administrative discretion.

As members will know, recreational fishing is one of the most important leisure activities in Western Australia. Total annual expenditure by recreational fishers is estimated to lie between $200 million and $450 million. Over 315 000 Western Australians over the age of 14 spend at least one day a year fishing and the activity has an important impact on regional tourism. In July 1988, the Government initiated a review of recreational fishing requirements in Western Australia and called for the formulation of a long term recreational fishing management strategy. A recreational fishing advisory committee was appointed and facilitated a series of discussion papers and public forums to canvass community opinion. Almost 1 500 submissions were received and the discussion on future management of recreational fishing has been one of the most thoroughly debated community issues for some time. The final report of the recreational fishing advisory committee was submitted in July last year. Over 61 recommendations were identified, detailing a strategy for the management of recreational fishing into the next century.

Five major immediate initiatives were recommended -

(1) The setting of a range of new bag limits for fish.

(2) Stricter controls on recreational net fishing.

(3) The establishment of a statutory advisory committee to the Minister to advise on recreational fishing and the establishment of community based regional advisory committees.

(4) The establishment of a recreational fishing trust fund.

(5) The further licensing of recreational fishers with the resultant revenue flowing into the proposed trust fund for the purpose of managing and enhancing recreational fishing.

Cabinet adopted these recommendations and they have been progressively put in place over the past year. New bag limits took effect at the beginning of the year and recreational net fishing provisions came into effect from 1 July. It was not possible to set up a statutory advisory committee or a trust fund without amendments to the Fisheries Act. However, the Minister has used his discretion to initiate these recommendations by appointing a committee without statutory basis. A trust account has been set up within the Consolidated Revenue Fund and licence fees for the range of licensed recreational fisheries are now directed to the account. Advertisements have recently been made for membership nominations to the regional liaison committees for recreational fishing. The Bill now provides for a statutory basis for the recreational fishing advisory committee. It also provides for membership, functions, constitution and procedural matters. Similarly the Bill sets out the funding arrangements and purposes for which the recreational fishing trust fund can be used. This will give the necessary assurance to the recreational fishing community that the moneys from their licences are being appropriately directed to recreational fishing research and management.

In conclusion, this Bill contains important amendments which are necessary, firstly, to ensure the proper management of the rock lobster fishery; secondly, to make more modern provisions for limited entry fisheries management, especially with respect to quotas; and, thirdly, to give statutory effect to recent initiatives for recreational fishing. I commend the Bill to the House.

Debate adjourned, on motion by Mr Bradshaw.

DARDANUP PINE LOG SAWMILL AGREEMENT BILL

Committee

Resumed from 22 October. The Chairman of Committees (Dr Alexander) in the Chair; Mr Taylor (Minister for State Development) in charge of the Bill.

Progress was reported after clause 3 had been agreed to.

Clause 4 postponed, on motion by Mr Blaikie.

Schedule -

Mr BLAIKIE: Page 11 of the Bill deals with marketing and financial arrangements and states -

> At the time when the Company submits the said proposals it shall furnish to the Minister's reasonable satisfaction -
>
> (a) details of marketing arrangements demonstrating the Company's ability to profitably sell or use pine log products and by-products manufactured at the pine log sawmill;
>
> (b) details of the availability of finance necessary for the fulfilment of the operations to which the said proposals refer; and
>
> (c) confirmation of the readiness of the Company to embark upon and proceed to carry out the operations referred to in those proposals.

I find it passing strange that in an agreement such as this so much hinges upon the company demonstrating its ability to sell its log products and by-products manufactured at the sawmill profitably. Having just seen the Rothwells debacle and read about Christopher Skase and Allan Bond, I am concerned that accounting procedures could be set up to suggest at some later stage that the products sold by the company - I am not suggesting anything untoward about this company; it is recognised as being a very reputable Western Australian company, but so were a series of other companies - were not being sold profitably and the company could use those records as a lever to reduce the royalty it was being charged. It appears that everything in this legislation is in favour of the company - which I support - but there should be a few safeguards and safety nets to protect the interests of the State's taxpayers.

Mr Taylor: Are you suggesting it should be changed? I am not saying I have the ability to change it. What suggestions would you make to overcome the problem?

Mr BLAIKIE: When these arrangements are read in conjunction with the part dealing with the supply of timber, a base price formula should be set as the starting point for negotiation. The Minister has already tabled paper No 460 - I think he called it schedule B - which indicates the price for stumpages. That paper is available to any Tom, Dick or Harry; but we are not talking about a Tom, Dick or Harry State agreement. It is an agreement that has the ability to remain in force for 40 years, that can bind this State with a single purchaser of the State's pine saw logs for 40 years, and that does not give adequate protection to the State's taxpayers.

My alternative proposal would be to have a base royalty formula as part of the schedule. How the formula is adjusted thereafter will be a matter for consideration as it would already appear in the schedule which would be a public document. There is no base formula in the proposed schedule so there is no protection for taxpayers.

It is not for me to criticise the management of Bunnings Ltd or the new consortium, the Dardanup pine sawmill group; however, I am concerned that we may again see the 1980s situation of reputable firms being taken over by corporate cowboys who did not have the same regard for the State's resources as did the reputable companies. We do not want another debacle such as those which involved the Bonds, the Connells and those who were named by the Royal Commission. There must be a safety net of scrutiny, which I believe the State's taxpayers would expect, that would provide the legislative protection that the Royal Commissioners talked about.

The Royal Commission's report was critical of the performance of Parliament and members of Parliament for failing to have sufficient understanding of agreements and Acts of Parliament that gave people unbridled control and unbridled opportunity. This legislation provides for unbridled opportunity. In the marketing and financial arrangements, if the company was paying the going rate for pine saw logs - irrespective of the price per cubic metre - and was able to present a case to the executive director that it was selling the logs at a loss, the executive director would have to take account of the price at which the logs were being sold. I am concerned that accounting procedures can be manufactured to conjure up an inaccurate picture of the profitability of the company. I support the project, but there should be a safety net that protects the State's taxpayers.

Mr THOMPSON: Recently, I sold a piece of land which adjoins the property on which my family and I live. An architect has designed a new home for Professor Carnegie who was the purchaser of the land. It is a unique and very complex structure. It is built partially of brick but is substantially timber framed. Because I have had a long time interest in the building industry, I always take the opportunity to observe building practices so that, if I ever lose my seat here, I might be able to pick up tools and earn a quid. I therefore watched this frame go up with interest. The timber used was principally pine. My only dealing with pine in my life was when I was at secondary school. We were required to do woodwork and the timber we were given to work with was called pinus radiata which was pretty rubbishy stuff. My attitude to pine timber has obviously been coloured by that timber, so it was with some surprise that I learnt that the timber being used in this very expensive home is timber that was produced in this State. I was amazed at the lack of knots in it and at its quality. It is long grained, straight timber. I said to the contractors that it was good timber and asked where it came from. They said it was local timber. They said also that it was not the best; apparently the best comes from New Zealand and the second best comes from the Eastern States. I suggested that obviously the local product was cheaper and that was why they were using it. They replied that the best timber came from New Zealand and it cost no more than the Western Australian product.

That brought into focus something that I learnt when I discussed this Dardanup project with the proponents of the new sawmill. It was made clear to me that for the Western Australian pine board industry to keep pace with its competitors - bearing in mind that those builders told me that its competitors are producing the better product - the local industry has to be at least price competitive. It is essential that there should be one sawmill to handle the product in order that economies of scale can be taken into account. My understanding is that this sawmill will be one of the most modern in the world. It must have sufficient throughput to

enable the consortium to justify the amount of expenditure on high tech equipment that will be required to do the job.

Therefore, while I have regard for the comments of my colleague, the member for Vasse, if too many impediments are placed in the way of this operation by way of comparison with its competitors - we live in a world where transportation is no longer as large an issue as it once was - the competitors may finish up having a great advantage in the scheme of things. The project is a wonderful project for Western Australia and the long term interests of this project should be given a green light and the construction should begin as soon as possible.

The CHAIRMAN: Before we go further, I would appreciate it if members told me exactly what part of the schedule they wish to discuss.

Mr Taylor: We do not normally deal with agreements clause by clause.

The CHAIRMAN: If there is to be a protracted discussion on the schedule - I do not want to encourage that - it will make it easier if we know what we are dealing with.

Mr Blaikie: I suggest that the Committee deal with the schedule page by page.

Mr TAYLOR: Under normal circumstances, the schedule is debated in a general sense. However, I understand the member for Vasse has two points to raise in regard to the schedule and the member for Warren has one. I therefore move -

That the Committee deal with the schedule page by page.

Question put and passed.

Pages 1 to 8 put and passed.

Page 9 -

Mr OMODEI: The Minister knows that I strongly support this project. However, the Opposition needs assurances. The document provided by the Department of State Development states that from 2001 to 2011 there will be a product availability of 715 000 cubic metres per annum. On that basis, there would be an adequate supply of timber for the proposal by the company for a 400 000 cubic metre throughput in stage six in the year 2003. To make sure that I knew what I was talking about, I went through the consultative environmental review and found what I consider to be some anomalies. In relation to the upgrading of the plant, page 12 of the CER sets out the build up of throughput from the current year, 1992, of 70 000 cubic metres to stage 1 in 1993, of 150 000 cubic metres; stage 2 in 1995, 200 000 cubic metres; stage 3 in 1997, 250 000 cubic metres; stage 4 in 1999, 300 000 cubic metres; stage 5 in 2001, 350 000 cubic metres; stage 6 in 2003, 400 000 cubic metres.

According to the information from the Department of Conservation and Land Management the combined log resource which will be supplied to the Dardanup pine log sawmill between the years 1992 and 2011 will come from most, if not all, of the major pine plantations in the south of Western Australia. The department states in its report the location of the plantations and the routes along which the log trucks will travel and they are described under section 3.3.3.

I am concerned about the volume of the pine log source from the various plantations. I have added the log resource availability in the northern plantations to that of the southern plantations for the years 1991 to 1996 and the combined total is just over 200 000 cubic metres per annum. This is in line with the proposed requirement in 1995 of 200 000 cubic metres. CALM's figures show that each year between 1997 and 2001 the available resource will be 60 000 cubic metres from the northern plantations and another 275 000 cubic metres from the southern plantations, a total of 335 000 cubic metres. That is well and truly within the realms of possibility if the proposed pine log requirement in 1997 is 250 000 cubic metres, increasing to 300 000 cubic metres in 1999.

The volume of supply in the northern and southern plantations in the years 2002 to 2011 is to be 480 000 cubic metres. It concerns me greatly that while the company requires 400 000 cubic metres there is a buffer of only 80 000 cubic metres. That seems to be fairly tight and if there is a fire like the one in the Blackwood Valley last year, we could see the removal of a significant quantity of timber which would put this State in a difficult position if the Bill guarantees the supply of pine logs.

I have informed the Minister that in my discussions with small millers they advised they have no problem with the establishment of a major international-scale mill because they believe that market should be targeted and it will be to the benefit of Western Australia. They believe they will be able to fill the niche markets.

The buffer of 80 000 cubic metres is not sufficient, bearing in mind that we need to supply the smaller operators. I would not like to see the smaller mills, some of which are quite substantial, being excluded to the benefit of one major operator. At the same time, I am conscious of the need to provide jobs and the need for large scale projects in this State and, on that basis, I support this project. I certainly hope the Minister will be able to satisfy my concerns.

Mr TAYLOR: I did briefly canvass this issue which was raised by the member for Warren during the second reading debate. The company sets out in its consultative environmental review the details of log supply to the year 2011. The forecast from the point of view of both the Department of Conservation and Land Management and Wespine Industries Pty Ltd is that the requirements of the mill can be readily supplied from the private and public plantations. In the course of the next 20 years the situation might arise where that supply will become tight. We cannot forecast what will happen and we do not know whether we will have the same terrific bushfires which swept through the South Australian pine plantations a few years ago. It is difficult to take these issues into account.

I have asked CALM for its advice on people's fears of a monopoly being established. It told me that the sawlogs produced by private growers in addition to the resource available from the CALM plantations will be sufficient. CALM believes that the small sawmillers will still have sufficient resources. I am told that tenders are being called for 15 000 cubic metres per annum of pine sawlogs for the small sawmills in Western Australia.

There will be a tightness in the supply of pine logs, but the view of CALM and the proponents is that their needs can be met as, indeed, can the needs of the small sawmillers. The other advantage to small sawmillers is that the efficiency of harvesting and trucking will be increased substantially because of the very size of this operation. These efficiency benefits will, undoubtedly, flow on to the small sawmillers and they will benefit from an increased efficiency in the pine sawlog industry. I am told, and I believe, there is a sufficient resource to handle not only the growing needs of this mill - it will grow substantially over the years - but also the needs of the small sawmillers in Western Australia who have their own market niches.

Mr Omodei: On page 19 of the Bill supply is guaranteed. What will happen if the supply is not there?

Mr TAYLOR: We are committed to that supply. It is difficult to forecast fires and if we have anything like the Ash Wednesday fires in the south west CALM would have to say that force majeure is in place and it cannot supply.

Page put and passed.

Page 10 put and passed.

Page 11 -

Mr TAYLOR: I advise the member for Vasse that the very nature of the provision of the financial and management information is that the Government has the information available to it to help it make decisions pertaining to the future of this operation. It would not be reasonable or acceptable to the company for it to have the Government determine these matters for it. It would put the company in an impossible position. Members opposite have gone to great lengths to point out what the Royal Commission report said about the Government's role in these sorts of issues. In the end we have to undertake the role of members of Parliament; that is, to make decisions based on what is before us, and I have to do the same as a Minister. If I am put in a position of wanting to protect to the nth degree the interests of the State what will happen, as was pointed out by the member for Darling Range, is that things will come to a standstill and these sorts of projects will not go ahead. It is impossible, to the nth degree, to say that we will never face the circumstances of the 1980s in relation to this operation if the sort of people referred to by the member for Vasse were to take over the operations of Wespine. There is sufficient protection in this agreement Bill for us to ensure the future of this operation. That protection is contained in the very subclause

mentioned by the member for Vasse by requiring the company to furnish this information to the Government.

Mr BLAIKIE: I thank the Minister for his comments but he has not satisfied the request I made earlier. I wanted him to indicate specifically where the agreement provides protection for the State's taxpayers.

Mr Taylor: In what sense?

Mr BLAIKIE: The protection that in 10 or 15 years' time they will get a reasonable return for the resources that will be sold. I am not aware of any other agreement Act in which the profitability of the company is of any significance. What happens with regard to the iron ore, nickel, silicon, mineral sands and salt agreements? I have in my hand a copy of an agreement Act with a local timber miller and the Government is screwing the guts out of that miller because he is being forced to stay within a contract that will probably put him out of business. I strongly support these agreements, but they should include a safety net to ensure the State's rights are protected. The agreement drawn up by the Department of Conservation and Land Management, to which I have referred, applies to all other timber millers in this State and it protects the State's interests. It ensures there is a return to the taxpayers and it does not require the milling operation to ensure it can sell its products at a reasonable end profit.

I refer to the comments by the member for Darling Range. New Zealand supplies a top quality timber; the north coast of America probably provides an even better quality; and the European countries also supply good quality products. However, the resource in this State has been funded by Australian taxpayers and they should get a reasonable return for the products the State has grown. There must be an understanding which ensures the profitability of the companies that will mill the product. This agreement is one-sided and everything is in the company's favour. I see no safety net in the agreement or anything that favours the taxpayers.

Mr TAYLOR: This is an issue relating to price and royalties. I have already tabled the stumpage rates in regard to this project. As the member will be aware, the logs in this project will be put through a new process whereby they will be scanned through their diameter and the company will have a better idea of how much should be paid for the logs based on their size and the amount of timber available. CALM has negotiated with this consortium a most important method of indexing the prices paid for this product. That index takes into account the following factors. Firstly, changes in the stumpage will be related to a basket of timber products rather than to the consumer price index, as has been the case in the past. It is a much fairer system. The basket will comprise all those goods produced by the buyer from the log timber which is sold free of any chemicals added for the purpose of insect or fungal attack. We are putting in place an index that will take into account the price movement of the goods produced from pine logs. When times are good in the industry that index will ensure that prices, and thus royalties, will move up. When times are tough - as is the case today - they will not increase but will stabilise. In some cases they may even decrease. We are starting today from a fairly tough base in the industry. A base index to the value of 100 will be assigned at the beginning of this project and that base index will be set by an external auditor so that we have a fair and reasonable base for the price. The external auditor is completing those calculations to determine the base weight average selling price for the logs.

I mentioned during the course of the previous debate that if the member wanted me to give him details of the price it would be possible for me to do so. However, if that were done it would give a free kick to the company's competitors in New Zealand because they will understand from exactly where the company is starting with its prices. An offer has been made to the member for Vasse to talk to the consortium about this matter. He may say that Parliament should know what the price is but if the information were provided in the Parliament, in a few years time the company could be torn apart by its New Zealand competitors who would have the enormous advantage of knowing the details of the company's prices. For the first time in this State a project in this industry will operate with an indexation formula based not on the CPI - which is pretty haphazard - but on the nature of the goods produced. The taxpayers in Western Australia will benefit from a higher price when times are good and when times are tough the price will not automatically escalate but will take into account the product mix. That is a significant breakthrough in relation to escalation of prices.

Mr Blaikie: Do you have the structure for an external auditor set up in that agreement?

Mr TAYLOR: No, it is being done by CALM and Wespine at the moment.

Mr Blaikie: Why is it not included in the agreement?

Mr TAYLOR: I am trying to explain that Wespine and CALM are prepared to give the member those details. The external auditor is trying to come to a satisfactory arrangement that relates to the indexing scale. I understand why the member wants more information and why he has concern about Royal Commission related matters. However, we have sufficient information. We are dealing with most reputable companies and, should the member want that information surely it could be gained from the companies themselves? Should the member take this to the ultimate point and put questions on notice, the Minister with responsibility for CALM would have no choice but to provide the information. It is for the member for Vasse to decide whether that would be to the advantage of the project.

Mr BLAIKIE: I raised some matters about which I have some concerns that I hoped the Minister would clarify. The comments of the Minister which are now on the record give me some cause for alarm. I want to know the base formula by which the royalty price from pine sawlogs will be determined. To my knowledge every other agreement Act introduced in this Parliament since I have been a member has contained that information. That formula provides a base starting point and variations may be introduced later, depending on the circumstances that apply. In this case we are given no base royalty price or formula for determination. I am alarmed that we are talking about a State resource that over 40 years may be worth billions of dollars in royalties to the State. The Minister says that if I wish to find out the price to be paid for this resource I must talk to the consortium on a confidential basis and it will tell me what it will pay the State for its resource.

Mr Taylor: If the member wishes to ask a question on notice, that is a decision he must make if he wants to give a free kick to its competitors.

Mr BLAIKIE: I am trying to ensure that a safety net is provided for the future taxpayers of this State. It is quite wrong for the Minister to say that any information regarding how much will be paid for the State's property should come from the consortium and that I should ask it how much it will pay for the State's resource. That is ludicrous in the extreme!

I attended a briefing given by Department of State Development officers in June or July which Opposition members were given the opportunity to attend. At that meeting I raised a similar question to the one I am raising now, so these are not new questions and my concerns have existed for several months. I think it was Noel Ashcroft who gave those attending a good briefing. I asked him how the price would be determined and why no pricing formula was in place. I was given an undertaking that he would get back to me with that information. That situation existed for weeks and I received no information. I was told in due course that the information could not be supplied by the Department of State Development and that if I wanted it I would have to get it from the Department of Conservation and Land Management. I have not received that information from CALM.

I attended a briefing by the consortium at which I heard the same sort of explanation as that given by the Minister. I can understand the consortium's sensitivity and am sensitive to its view. However, my responsibility is not the future welfare of the consortium's shareholders but a dual one of needing the project to get off the ground and protecting future taxpayers. I wish to ensure there is some understanding of what future taxpayers in this State will have to pay in this area. The Minister has said that CALM has developed a new system of charging royalties for its pine resource and that built into that resource is about a six per cent escalating charge so that as the years pass the return will increase by six per cent; that is, there will be a six per cent return on the capital investment in that resource. That is fantastic.

I can assure members that that guarantee is rhetoric. It does not matter a damn what the Minister or any other member of Parliament says if it is not in the agreement Act because they are simply hollow words. I support the comments made by the Minister and hope the foundations are right, but if that is the case - that is, that there will be a six per cent escalation or beneficial rate on the State's resource included in this agreement - at the end of the day the only thing one can pin one's shirt on are the words contained in that agreement. The words coming from a Minister who may not be here in 15 years amount to nothing. The only thing available then will be what is contained in the agreement.

The Minister is on a flight of fantasy if he believes that simply because he or I have spoken certain words they will be acted on. The only words that will be acted on in the future are those contained in the agreement. The Minister also indicated that, depending on the market situation, the royalties would be high in buoyant years and low in bad ones. Therefore, they will represent a variable rate. I am not happy with that. As a matter of fact, I am concerned about that because we have a resource worth billions of dollars which it is important to get off the ground for the benefit of the community in 1992, but future generations will be dissatisfied with this Parliament if in the year 2010 this resource is being sold at bargain basement prices from which the State gets no return.

The Minister has already indicated that the investment in this project will return six per cent, but that, on the other hand, it will involve a variable return. How can he be right on both counts? He is not right. Another thing the Minister has indicated which is not contained in the agreement is that an external auditor will determine the base rate selling price.

Mr Taylor: Who will determine the index to be used.

Mr BLAIKIE: All I want the Government to do, and what I plead with members of Parliament to ensure, is that there is some base index written into the agreement. If that were done, I would be satisfied and go no further. I believe the legislation relating to this agreement is flawed because it does not contain a base index. I hope that my concerns do not come to fruition down the line as a result of the Minister's depending too much on the goodwill and absolute honesty and integrity of the people involved in this arrangement in the next five to 20 years. Only last night I reread the debate on the Rothwells rescue. At that time people oozed goodwill and championed that cause. Where are they now? One is in Hong Kong and another I think is out of the country. At that time the Parliament carried a motion supporting Rothwells because it believed it was doing the right thing.

I repeat that the agreement needs a base price and without it is fundamentally flawed. I plead with the Minister to have a closer look at, and understanding of, this legislation. Let us get the project off the ground but put in place a price so that in 20 years people will have a base formula to work from. That does not exist at present. If the concerns I have expressed come to fruition in 20 years, and I hope they will not, this Parliament will be seen as having lacked legislative responsibility, the very thing for which the Royal Commission criticised it properly and strongly.

Mrs EDWARDES: The whole of clause 6, including various subclauses which appear on pages 12, 13 and 14, raises questions I will ask. Why has the Minister gone down the path outlined in the proposals submitted by the company and agreed to the mechanisms that have been agreed upon? It seems to me that the company put forward a proposal which, subject to the Environmental Protection Authority Act, the Minister could either send back for further consideration or approve without qualification or reservation. This clause does not indicate to the company, "We want to sit down and work through all this", because at the end, after the Minister's decision and consultation with Minister, if the company is still not happy it can take the Minister's decision to arbitration, with the exception of those matters dealt with in subclause (1). Do the words in subclause (4), "pursuant to the proviso to subclause (1)", refer to subclause (1) of clause 6 or to another subclause? Why has it been agreed to have what appears to me to be a long drawn out process for coming to an agreement, where the Minister cannot really make substantive suggestions or proposals? The Minister can reject the proposals or require amendments, but -

Mr Taylor: I have here the proposals from the company.

Mrs EDWARDES: Yes, but under clause 6(1) of the schedule, the Minister can approve of the proposal without qualification or reservation, or he can defer consideration of or decision upon the same until such time as the company submits a further proposal or proposals on other matters mentioned in subclause (1) of clause 5. Why was that process decided upon?

Mr TAYLOR: Firstly, because it seems to me to be quite logical. Secondly, if we cannot agree, then we will need to have some process to resolve the issues in dispute. The company has sent to me, as required by this legislation, its proposals for an upgrading of the Dardanup Sawmill. I will receive advice on that from my department, and particularly from the Department of Conservation and Land Management.

Page put and passed.

Page 12 -

Mrs EDWARDES: Subclause (3) states that -

> If the decision of the Minister is as mentioned in either of paragraphs (b) or (c) or subclause (1), the Minister shall afford the Company full opportunity to consult with him and should it so desire to submit new or revised proposals either generally or in respect to some particular matter.

There could be an indefinite number of proposals, which could mean that the Minister would continue to be badgered for an indefinite time, and under this subclause the company would arguably have the right to require the Minister to continue to consider further proposals.

Mr Taylor: That is correct.

Mrs EDWARDES: Why is it such an open ended procedure and not more finite?

Mr TAYLOR: The reason is simply that the nature of these sorts of operations is that things may change. The company faces enormous competition from New Zealand, there will be new technology, there will be the availability of pine logs, and it will be competing with market forces which will decide what sort of product may come forward. It does not make any sense to suggest that over the period of these proposals, we can specify the precise proposals which will come forward.

Mrs Edwardes: I accept that, but the subclause refers to proposals being rejected or amended, so they can continue to come back to the Minister.

Mr TAYLOR: Of course they can. All sorts of things can change. The nature of the agreement is that it will be flexible in order to allow us to ensure that the project will not only get off the ground, but also will continue to be there in 20 years' time. That flexibility must be built into the agreement, and there must be a provision that if agreement cannot be reached, the matter will be arbitrated. I do not want to end up in court to resolve these matters. I would rather go through the process of arbitration than have Supreme Court judges make these sorts of decisions.

Mr BLAIKIE: I find the Minister's explanation to be wanting. While I do not doubt the goodwill that the Minister wants to exude, and the anxiety of the Minister and the Parliament to get this project off the ground, it must be understood that this is a wide open agreement to assist the company.

Mr Taylor: We are talking about assisting the company to be competitive and to attract investment.

Mr BLAIKIE: We realise that the aim of the wide open agreement is to assist the company to attract investment and to provide job opportunities, but I draw the Chamber's attention to the final part of the agreement on page 38, which I believe is relevant to the clause which we are discussing and to the matters raised in respect of the pricing formula. Bearing in mind that the Minister has stated that the agreement needs to be broad in order to help the company, page 38 states -

> The foregoing is a description of the pine log sawmill upgrade stages (including plant capacities, components and timing thereof) planned as at the date of this Agreement. As technologies, timber supplies, equipment availability, efficiencies, market demands or other circumstances dictate these stages (including plant capacities, components and the timing thereof) may vary or alter during the period of the upgrade.

Mr Taylor: Of course they may.

Mr BLAIKIE: This is an agreement that one could drive a semitrailer through sideways!

Mr TAYLOR: We have an agreement which will see the sawmill get off the ground. We have an agreement which recognises, as it must, that changes will take place over the period of the agreement, otherwise the company will be locked into a series of proposals which it may find are quite unmarketable and unprofitable in the years ahead. We must be flexible. The member may be uncomfortable with our being flexible and may want to dot every "i" and cross every "t", but in the end we must get this project off the ground, and that is what I want to do.

Mr BLAIKIE: Were I buying a business or a property, I would like to use an agreement like this and to convince someone to sign an agreement like this. However, were I selling a business or a property, I would not have a bar of an agreement like this. While I share the Minister's desire to see this sawmill get under way, were I in the Minister's position this agreement would still have to come to the Parliament in order to provide a safety net at the end of the day for the State's taxpayers. This agreement does not take into consideration the State's future taxpayers.

Mr Taylor: Your safety net would destroy the project.

The CHAIRMAN: Order! We are on page 12, and I ask members to make their comments specific and not to enter into a general debate on every page and on every clause of the Bill.

Mr OMODEI: My comments relate to "Consultation with Minister". It is stated that the Minister shall afford the company full opportunity to consult with him should it so desire to submit new or revised proposals either generally or in respect to some particular matter. This relates to clause 5 of the schedule referring to transport, among other things. If a complaint is made by a local authority regarding transport matters, damage to road surfaces and so on, will the Minister consult with local authorities? The Minister has met with south west shires, particularly those such as Bridgetown-Greenbushes which receive no tangible benefit from the project. From time to time they inherit liabilities such as extra costs for road maintenance.

Mr TAYLOR: I covered this issue at the second reading stage. To put it simply, one aspect is big roads and another is small roads. Big roads are covered by the south west regional road strategy, and people are working on that. I have met with local authorities on two occasions. We have agreed, with the Minister for Transport, to put in a consultant to examine the issues. Consultation with the Minister will not cover the member's concerns which relate to the industry.

Page put and passed.

Page 13 -

Mr C.J. BARNETT: I refer to "Minister's decision subject to arbitration". If the Minister gives notice of a rejection of a proposal the company can refer the matter to arbitration within two months. Why is two months specified? It is an unusually long time. Once the company is aware of a rejection it will be a simple matter to refer it to arbitration.

Mr TAYLOR: Two months is not unreasonable. It will allow the Minister and the company time to resolve the issue before going to arbitration rather than facing a sudden death situation. Two months is not an extraordinary time to allow people to go to lawyers or accountants to decide the issues.

Mrs EDWARDES: Two months seems an arbitrary time span. Why not three months or four months? How did the Minister arrive at the two months' time limit?

Mr TAYLOR: It is reasonable. Had we allowed four months, the member would say that it was too long.

Page put and passed.

Page 14 put and passed.

Page 15 -

Mrs EDWARDES: Under "Protection and management of the environment" the company will provide a continuous program to monitor the effectiveness of measures to manage the environment. A report is required only if the Minister requests a report; the Minister's ability to ask for a report is limited. He must demonstrate that a report is reasonably required. How can the Minister demonstrate that? Why is the Minister's ability limited? It is extraordinary that the company does not need to report to the Minister on an ongoing basis unless the Minister so requests. For the public benefit, the company should report regularly in a form available to the public. It is extraordinary that such a fetter is placed on the Minister's power to call for reports.

Mr TAYLOR: We will not ask for a report unless the circumstances require a report. If we ask the company to report every six months or every year it will be a waste of both the

company's time and that of the public servants. If a problem arises we will ask for a report on the problem. Other agreement Acts require reports from companies to Ministers every year or six months. Such reports basically give an overview of what has been happening, but the focus here is to allow people to get on with the job. If a problem occurs we will request a report.

Mrs EDWARDES: Management of the environment is very important. Every member regards the issue as a matter of priority. Jobs are top priority for many unemployed people. At the same time, if a report is requested only when a problem occurs -

Mr Taylor: Reports are subject to the environmental protection legislation. The Environmental Protection Authority still operates. This matter is not outside the bounds of that legislation. If there is a problem it can be dealt with.

Mrs EDWARDES: The Minister's power to call for reports is fettered. That is extraordinary. Even given the fact that the matter is subject to environmental protection legislation the Minister's power to call for a report should not be fettered in such a way.

Mr Taylor: I refer the member to page 32, "Environmental protection".

Mrs EDWARDES: When we reach that stage I will deal with that issue. I am talking about the limits placed on the Minister's power to call for a report relating to the protection and management of the environment. The fact that the Minister must demonstrate that a report is reasonably required is outrageous. The Minister should have every right to call for a report rather than having to demonstrate that a report is reasonably required, and having all the other fetters placed in the Minister's way for such a request. Either the Minister is serious about this, or he is not.

What on earth was the Minister thinking about when he agreed to the provision that when he calls for a report, the report must be reasonably required? What does the Minister understand to be meant by this provision? What discussions took place which led to the inclusion of that reference?

Mr Taylor: I have answered the member's question.

Mr COWAN: This Bill involves aspects of environmental protection, particularly regarding noise, which are important because of the project's proximity to a residential area. Occasions have arisen in which projects have received approvals and commenced operations, yet the projects were unable to meet the environmental standards. However, the projects continued to operate; it would be nonsensical to close them down. We require an assurance from the Minister that the environmental standards, particularly regarding noise levels, will be properly monitored and strictly controlled. If the company cannot meet the set standards, will it be instructed to do something about it? Occasions have arisen in the past where certain decibel levels were set because the project was on rural land.

A project at Muchea did not comply with the EPA noise standards, and, as the Minister would be aware, it was decided by some form of ministerial decree that the noise limits would be raised. If the Minister checks, he will find that to be the case. That must not happen with this project under discussion. Progressively over a 10 year period an increasing volume of haulage trucks will be travelling to and from the sawmill. This will create problems associated with noise, as well as visual pollution and traffic hazards. These large haulage trucks will be flying backwards and forwards on the designated haul roads, and standards must be set by the consultative environmental review. These must be monitored and little tolerance must be given to breaches because of the projects proximity to a residential area.

Mr TAYLOR: Page 21 of the CER deals with the issues associated with noise, particularly noise from the mill itself. It is very difficult for the company to deal with noise levels from trucks hauling logs. However, the report indicates that in order to ensure that the 40 decibel limits are complied with in relation to Padbury Fields - the closest residential area - outside monitoring equipment will be in operation so that the sawmill expansion will conform with the EPA regulations. The EPA is drawing up new regulations regarding industry noise levels. This is not an easy matter because on occasions industry operates right alongside residential areas, as in my electorate. It is a matter of coming to grips with the overall decibel level at the sawmill, but this project, as I indicated to the member for Kingsley, is subject to the Environmental Protection Act.

Mr Cowan: So was the Muchea project, yet the standards were made less stringent so that the company could go closer to meeting the requirement. However, it still cannot comply.

Mr TAYLOR: The company indicates in the CER that it is required to, and will comply with, the EPA regulations. I recognise the Leader of the National Party's comments, but circumstances arise in which companies must be told, "You must comply with noise levels or else." More often than not the "or else" is an unsavoury prospect which may mean closure of the operation and people losing their jobs. It is the role of Government to weigh up these issues in making a decision. For example, in Kalgoorlie the sulphur dioxide levels are higher than those at Kwinana, and on occasions noise levels vary. This operation will be able to keep any noise levels within the EPA regulations - the company has made a commitment to do so in its CER.

Mrs EDWARDES: Clause 8(5) of the schedule referring to protection and management of the environment reads -

> Subject to and in accordance with the EP Act and any approval and licences required under that Act the Company shall implement the decision of the Minister . . .

If that decision relates to clause 8(3) of the schedule, that should be specified. To which decision of the Minister does clause 8(5) refer?

Mr Taylor: It relates to any decision made in relation to clause 8 of the schedule relating to the protection and management of the environment.

Mrs EDWARDES: It is as broad and wide as that?

Mr Taylor: It is a situation in which I ask for a report and ask for it to be implemented.

Page put and passed.

Page 16 -

Mrs EDWARDES: Clause 9 of the schedule refers to use of local labour, professional services and materials and refers to reasonable endeavours to ensure that as many people as possible in the company's work force be recruited from the south west region of the State. However, the south west region is not identified as such within the Bill. What does the Minister understand that to mean?

Mr Taylor: The same as what everybody understands the south west region to be - it is the south west of the State.

Mrs EDWARDES: The preferential obligations regarding recruitment of employees from the south west region is meaningless because it is diluted by two qualifications: Firstly, the reference to reasonable endeavours, and secondly, the reference to when it is economically practicable. That may seem to be very reasonable and a standard clause; however, with those qualifications the commitment to the people in the south west region makes that preferential obligation meaningless.

Page put and passed.

Page 17 put and passed.

Pages 18 and 19 -

Mrs EDWARDES: Could the Minister clarify clause 10(1) of the schedule which refers to cubic metres of log timber in accordance with log specifications? Those in the industry may know its meaning but I do not have an understanding of it.

Mr TAYLOR: The specifications relate to the diameter of the logs, the length and the quality of the logs and those sorts of issues. There are big logs and small logs.

Mr BRADSHAW: I am concerned about the length of time that the State is tied up in this agreement with this company. Certainly under the agreement the company must invest a lot of money to increase the capacity of its Dardanup mill, but 20 plus 20 years is excessive. I believe that 20 years would be a reasonable time for the company to recoup the money that it has put into that establishment. It would be more appropriate to negotiate an extension once the 20 year period has elapsed rather than tie up the State for 40 years. It is not realistic to tie up the State's softwood with one company; it is wrong.

Mr TAYLOR: I do not agree that it is wrong, but I agree with the member that it is a very

significant decision. Taking into account the nature of the resource over the next 20 years or so, Western Australia can have only one world competitive pine log sawmill. In that sense if the State is asking the company to invest its money over 10 years, it needs some security in its position over that period and beyond. I do not know enough about the timber industry to suggest that after the first 20 years it would have sufficient resources coming on stream for another major sawmill of this capacity. In that sense it ties the State into having one major sawmill, and that is a decision the Government has made in order for the industry to be competitive. If it did not make this decision, the State would be left with lots of small sawmillers who may or may not survive, given the enormous competition from elsewhere, particularly New Zealand.

Mr Bloffwitch: Does that matter, in all fairness?

Mr TAYLOR: No, but it is possible that those small sawmills will not survive and we will see enormous imports of pine logs, particularly from New Zealand under the new closer economic relationship arrangement.

Mr Blaikie interjected.

Mr TAYLOR: I have been told by our people, and it is my view, that if we do not come to grips with the future of the pine sawmill industry in Western Australia the outcome will be that we will not be competitive.

Mr Bloffwitch: That is the logical argument of any industry.

The CHAIRMAN: Order, member for Geraldton, this is not just a chat session. If the members wants to say something he can get the call.

Mr DONOVAN: Is the Minister saying it is important to the economics of the industry and therefore the State to have only one major supplier?

Mr Taylor: It is important to have one major world competitive mill, but as I have said during debate, that will make the economics of some of the small pine sawmillers better. Economies will flow on to them in transportation and harvesting. The State will end up with a major sawmill, in this case Wesfi. The others will survive because there will be sufficient resources and they will reap the benefit of having that major mill.

Mr DONOVAN: Does that rule out the possible future development of another major mill?

Mr Taylor: The availability of the resource rules out another major mill coming on stream as far ahead as I can see.

Mr BRADSHAW: It is reprehensible that the Minister says today that he does not know what will be down the track in 20 years' time in regard to the timber resource. The Department of Conservation and Land Management must be making predictions of what is available in the future, excluding fires etc. Trees do not grow overnight, and the mill will use 20 year old trees; they should be in the ground now.

Mr Taylor: CALM has information about log availability at least up to the year 2020.

Mr BRADSHAW: That is more than 20 years from now. The Minister is saying that he does not know what the supply will be in 20 years' time.

Mr Taylor: I said I did not know what supply will be there in 20 years' time for another major sawmill of this capacity to come on stream.

Mr BRADSHAW: That is the same as the Minister saying he does not know how much will be there is 20 years. If the Minister knows the capacity of this mill he should be able to work out what resources will be required in 20 years' time.

Mr Taylor: The member for Wellington should make up his mind. Does he want to support the project or not?

Mr BRADSHAW: Of course I do, it is a great project. However, I want to get a fair deal for the people of Western Australia at the same time. If the Minister starts talking about whether I want the mill, I will ask him why it took so long to bring legislation before the Parliament.

Mr Taylor: It has been in Parliament since the last session.

The CHAIRMAN: Order! Let us stick to the schedule. The general question of why the Bill is here is something that should have been covered in the second reading debate. It is not appropriate during Committee.

Mr BRADSHAW: The Government should know whether in 20 years' time there will be adequate resources to supply two competitive mills in Western Australia. It is not good enough for the Minister to say that he does not know what the resource will be in 20 years' time.

Mr BLAIKIE: Having raised this matter during the second reading debate I want to make some further comments on the supply of timber clause. The Minister commented in his second reading speech that there seemed to be an almost unholy alliance between the environmentalists of Western Australia and people such as the member for Vasse. I take exception to that. No alliance exists between the environmentalists and me. However, they spoke to me following a Press release I circulated about my concerns. If the environmental movement were to get its act together and examine what the Minister has done in selling off the State resources it might be far more concerned than it is.

This agreement provides for a 40 year contract in two 20 year lots but under such terms and conditions as agreed to between the executive director and the company. I have a copy of an agreement for the supply of timber to a sawmiller, which, I understand, is a standard contract. It requires invoices to be rendered by the executive director twice monthly and that the buyer pay the full amount of the invoice without any deductions whatever within 30 days of the invoice. It also requires that all accounts not paid by the due date be subject to an 18 per cent surcharge. It also requires that the buyer not delay or withhold any payment of the prescribed timber on account of any alleged inaccuracy, and so on. The sawmillers must abide by a pretty water tight agreement which I believe quite adequately protects the interests of the State but which works against the sawmillers in that timber millers buying timber are subjected to a water tight agreement whereas the consortium will have a fairly open ended agreement. I do not believe that is in the interests of the State's taxpayers or their future.

The Minister has referred time and time again to a six per cent indexation rate which will be applied to the cost of timber. Will the Minister place on the record at what rate the indexation will start? If it is not within the agreement, it should be mentioned in the record of the debate for posterity. What will be the value of the State's resources at the time the agreement is entered into? If the Minister is not prepared to reveal the royalty, what will be the actual resource and how will the indexation rate be achieved?

Mr TAYLOR: I pointed out an hour ago how that will be achieved. Regarding the nature of the contract, I have been advised that the contract with Wespine Industries Pty Ltd has the same conditions. I believe there are four small sawmillers currently operating and I see no reason why they should not continue. With reference to my comments about the unholy alliance between the member for Vasse and the Conservation Council, I was doing nothing more than referring to a newspaper article in *The West Australian* of 14 July where both the member for Vasse and the Conservation Council referred to this document and attacked the Department of Conservation and Land Management.

Mr Blaikie: The Minister should not believe all he reads in the paper.

Mr TAYLOR: I am well and truly aware of that.

Mr Blaikie: I released a Press statement which I will be delighted to show the Minister. It was in virtually the same terms as my comments today and previously.

Mr TAYLOR: I accept that the member's Press release coincidentally matched the Conservation Council's comments. I will give the member for Vasse a copy of the information on how the indexation rate will be calculated. It is presently being prepared by an external auditor; when it is completed I will be happy to table it. There is a problem regarding the price. If the member wants to ask questions on notice, the Minister will provide answers. It is all very well to provide information on the index, but once competitors know what is the base price, they will know exactly what is the major cost input into this sawlog mill in the years ahead.

Mr Blaikie: Has the Department of State Development done an assessment of the value of the pine log resources as they stand today?

Mr TAYLOR: I expect the departmental officers will have a pretty good knowledge of that. I cannot say whether that is the case.

Mr Blaikie: If that assessment were provided by the department, in the next five to 20 years

members of Parliament would be able to look at the Minister's rhetoric to see whether it matched what had been achieved. Is that fair enough?

Mr TAYLOR: That is fair enough. I will endeavour to get that information.

Mrs EDWARDES: There is an obligation to supply timber in the second 20 years subject to the limits of good forest management. No such qualification applies to the first 20 years. Is the Minister satisfied that the timber can be supplied in the first 20 years within the limits of good forest management? If so, according to what information is he satisfied?

Mr Taylor: I am satisfied according to the information provided to me by CALM.

Mrs EDWARDES: Committee deliberations are an appropriate place for requesting adequate explanations on proposed legislation. The Minister's answer to my question was not adequate and I would like him to identify what information satisfied him that the timber supplied in the first 20 years could be provided within the limits of good forest management and to explain why is that qualification placed only on the second 20 years.

Mr TAYLOR: Sheer commonsense would answer that question, but I cannot help it if the member for Kingsley has an inadequate supply of that. She should refer to the information which has already been supplied during this debate by me and the member for Warren. She would then realise that we are aware of what timber is available for the next 20 years. In good forest management, it makes sheer commonsense to include the qualification that after the second 20 years, as long as the State is able to continue that management, it will be able to provide the resource. In addition, as I mentioned to the member for Warren a while ago, if the member for Kingsley took the trouble to look further into the agreement she would see that where matters are outside the normal course of events there is provision for the department to declare a force majeure.

Progress

Progress reported and leave given to sit again at a later stage of the sitting, on motion by Mr Taylor (Minister for State Development).

[See p 6353.]

Sitting suspended from 1.00 to 2.00 pm

[Questions without notice taken.]

MATTER OF PUBLIC IMPORTANCE - POLICE OFFICERS, 1000 ADDITIONAL, GOVERNMENT ELECTION PROMISE FAILURE

THE SPEAKER (Mr Michael Barnett): I have received a letter from the Leader of the Opposition seeking to debate as a matter of public importance the Government's failure to honour its 1989 election commitment to provide 1 000 additional police officers and other matters.

If sufficient members agree to this motion, I will allow it.

[At least five members rose in their places.]

The SPEAKER: In accordance with the Sessional Order, half an hour will be allocated to speakers on my right and half an hour to speakers on my left, with a further 10 minutes to the Independent members who wish to contribute to this debate.

MR COURT (Nedlands - Leader of the Opposition) [2.36 pm]: I move -

> That this Government has failed to honour its 1989 election commitment to provide 1 000 additional police officers, and in view of -
>
> (1) the substantial increase in violent crime in Western Australia in the past 12 months;
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> (2) recent incidents of violent crimes being committed by people on parole; and
>
> (3) the recent incidents of violence on public trains and in shopping centres,
>
> the Government should, as a matter of urgency -
>
> review its Budget decision to limit police recruitments in the coming year to 75, which will not even replace officers who retire or resign; and

provide the additional police needed to enforce law and order to protect the people of Western Australia, to reduce the level of violent crime and ensure that offenders are deterred from repeatedly offending.

In recent weeks in the community, in this Parliament, and in the media a very strong focus has been on the Royal Commission. That is not surprising. However, law and order issues have also been preying very heavily on people's minds. A train incident last week highlighted some of the real problems experienced by people today. Many people were shocked, as I am sure the Minister was shocked, that in daylight young people went on a rampage through a train; a woman was indecently assaulted as she left the train at Bassendean; someone punched and kicked an 18 year old woman and beat unconscious a man who tried to assist her. That behaviour is very much the behaviour we read about occurring in the New York subways. We think it is something that will never happen in this State. Unfortunately it has happened. Safety in public transport has become a great concern to many people.

Recently I heard a Minister on radio saying that things are not as bad as one thinks. He should try telling that to elderly people who are now very scared of catching public transport at certain times, and to the women who believe that after daylight hours it is simply not safe to travel on trains. Recently, with my wife, I witnessed what happens on trains when the hoodlums get on and terrorise people. It is not a very pleasant experience because one cannot leave the train. These things occur also on railway stations and within the precincts of the stations. At the same time as these events, we read also more and more about the breakdown in law and order. We used to take for granted our local shopping centres. I do not know what it is like in the electorates of other members but in my electorate we have experienced a number of occasions where young people have snatched handbags. In an article in a local newspaper recently the Deputy Leader of the Opposition referred to problems at the Floreat Forum. In an incident last week, a lady who was loading her groceries into the car at the shopping centre was faced by hoodlums who stole her handbag and jumped into a car and drove away. That type of behaviour is on the increase and causing great concern in the community.

I was fascinated to hear some of the figures quoted by the Minister for Justice; he was pretty selective in his quotes. Last year 58 murders were committed in Western Australia; that is one every week. Violent crimes such as serious assault increased by 30 per cent during the past year with 2 594 offences recorded; that is one every three hours.

Mr D.L. Smith interjected.

Mr COURT: So it is a new definition now.

There has been a large increase in the number of sexually related offences with the number of sexual assaults doubling from 452 to 1 048. The figures show that the number of stealing offences increased by nearly 10 000 during the past financial year from 74 368 to 84 360 with one stealing offence occurring every six minutes in Western Australia. Yet the Minister for Justice told us in question time that all is well, and that the increase in crime is not as great as it usually is. All members of Parliament know of the concern in the community. In 1989 this Government promised there would be an increase of 1 000 police officers in a three year term. In a four year term the number has increased by about 800; that is well below the level that was promised. The number of police officers per head of population has declined quite dramatically in the past four years. There is an urgent need for more resources.

I visited the Yanchep Police Station last week. That measures about 10 feet by 10 feet and an officer travels to the Yanchep police station each day; that travelling time is taken out of his eight hour shift so Yanchep has a police presence for six and a half hours a day. The police station is so small that if two offenders are apprehended, one offender is kept inside the police station, which is a timber and tin room, and the other is kept in the police panel van, which is driven to the shopping centre and parked in front of the police station. They speak to one offender in the police station and the other in the panel van in the middle of the shopping centre. The Minister for Justice opened the Joondalup Police Station recently - that is a beautiful facility - but between Joondalup and Yanchep for more than half the day only one panel van patrols the entire area. That is the most rapidly growing area of our community.

The last thing we want when the new northern suburbs railway opens is for vandals, hooligans and thugs to scare people from using that service. It is absolutely crucial that the Government from day one of that service makes it clear that resources will be poured into that service to ensure that the message gets through that the Government will not tolerate antisocial behaviour that is scaring people and making them feel unsafe. It is essential, particularly in the early months of that service to ensure that the trains have police or security officers on them who carry batons so that they can do something about it. I have been on the train when some people were terrorising some of the passengers. The guard had no way of controlling the situation. I would not want to be a guard on a train at night for quids. It would be one of the most dangerous jobs in town. We must make sure from day one that people feel secure on the new rail service. Camera surveillance is not good enough, a physical presence is needed on those trains to give a clear message. The shortage of police numbers in our community has reached crisis point. Trouble makers in the community are thumbing their noses at the police. I have been told that wrongdoers in the Yanchep-Two Rocks community know when the police come in and out of the area; they know when to set about doing unlawful things. That is how pathetic the police presence is in that area. The member for Wanneroo promised them a new police station at the last election, but it has not arrived. The police at Yanchep must operate out of a 10 feet by 10 feet room.

Mrs Watkins: That is right, Richard.

Mr COURT: So the member for Wanneroo did not promise the police station?

In the brief time that is available to me I have mentioned the law and order problems with public transport, and in shopping centres where grabbing bags is becoming a common practice. Members have only to drive around Perth to see the graffiti on our public buildings. The old Treasury building is plastered with graffiti every weekend; our freeways are a terrific public resource but when one drives on them one can see graffiti all over them. We need to tighten up what is being done to bring the law and order situation under control. This Government promised an increase of 1 000 police officers over three years, but over a four year period we had an increase of about 800. That is one of the reasons that one can go to a police station anywhere in the State and be told that they cannot handle the problems with which they are confronted. I urge members of the House to support this motion, specifically in relation to the new northern suburbs railway line, to make sure that the message gets out to the public that it will be safe to travel on those trains.

MRS EDWARDES (Kingsley) [2.47 pm]: The increasing level of crime would not come as a surprise to any member in this House. The community is concerned that when a person rings a police station the response is particularly slow. One instance was relayed to me recently where a local shopkeeper had apprehended a shoplifter. He telephoned the Claremont Police Station and the police officer said he could not come because he was the only officer at the station. It did not matter that the shopkeeper had detained the shoplifter. The community's concern has increased over the last couple of weeks because of the incidents on the train. That is of concern to people because, as the Leader of the Opposition pointed out, they cannot escape if a gang of youths is coming down the train and harassing and intimidating passengers. It is not the case that these incidents occur after 6.00 pm; it can happen at four o'clock in the afternoon. We have had two incidents on the same train and at the same time and nothing was learnt from the reporting of the first incident.

This afternoon the member for Scarborough asked a question without notice of the Premier about compliance with Standing Order No 380. The Premier's response was, "I will give a commitment that will happen before the end of the session" but that breach of Standing Orders is already two months out of time. That indicates that members opposite do not take any notice of reports which are being provided to this House. It is absolutely crucial.

Security on trains was talked about in 1990 when it was proposed to remove the guards. The response to surveys that were done at the time said that unruliness would increase. Public protests were highlighted then. Mr Tony Costa, the assistant State secretary of the union said that commuters may form a body similar to the Transport Users Association in Victoria. The Victorian Government responded to similar problems in that State, but this Government did not. Tony Costa had carried out a survey, the results of which were sent to all Government Ministers. It would be interesting to know whether they had read the material. The results showed that 78 per cent of passengers believed they would be less safe if guards were

removed. This past week we have had an increase in serious crime occurring on trains, proving those fears correct. The Government appointed a task force to review train security. Mr Costa's view was that the security force which had been formed by Westrail was inadequate. We would not like to comment on the adequacy of the guards when youths are on trains harassing passengers.

The incidents that are occurring outside the times predicted by the Government are not being covered by the PSA. Mr Costa went on to say that only last Friday a guard called for back up on the Fremantle line and was told that the police would get there when they could. He was told to do his best in the meantime. Mr Costa claimed that guards in trouble could wait between 20 and 40 minutes for assistance. These problems were being experienced in 1990 and nothing has changed since then.

Another report was issued in 1990 which indicated that the personal safety of elderly women was of serious concern. Public transport security extends beyond sex and age barriers. At that time I indicated that, if we wanted to ensure the patronage on the northern suburbs railway, the key lay in ensuring the confidence of passengers to use the train. That confidence will come only with the provision of adequate level of security. When we were talking about the expansion of the northern suburbs railway in 1990, we talked about improved lighting on trains and in stations. It was proposed to put up signs saying, "You are being watched". As was suggested on "Talkback" this week, there is little point in having cameras monitoring the carriages when there are no signs to advise passengers of that fact.

Whatever happened to the recommendation for emergency systems that could be operated by passengers? What happened to the police patrols and the coordination between the PSA and the police and the train stations? What review did the Government undertake to ensure that there would be coordination between police and Westrail officers when passengers are on the train at times when it is predicted that they will be in danger of being attacked or harassed? If there is any coordination, it is inadequate. For the Minister to say now, "We will just increase numbers at this time as a quick response to what has happened" is not good enough.

Last night at the Wanneroo Country Club two gunmen forced 60 people to lie down on the floor and a firearm was discharged. It was fortunate that one or two people escaped and managed to get the police to respond. The manpower at the Joondalup station is such that it would be stretched if it had to cover incidents at Wanneroo and Yanchep. The lockup at the Joondalup station is not operating at present, and it is not intended to be operational until the middle of next year. There is a beautiful police station at Joondalup. It is a shame that the member for Wanneroo did not attend its opening. The manning and motor vehicle levels at the station are quite limited, given the population and the geographic area expected to be covered.

The Government takes no notice of the reports that it initiates and tables in this House; for example, that of the Select Committee inquiring into youth affairs for which the Premier is allowing a breach of the Standing Orders to continue. If we look at the recommendations of the parole committee, which made some fundamental and worthwhile recommendations, we will see that only a few minor amendments have been made by those in the other place to reduce the numbers of prisoners, but nothing to do with the penalties for serious offences. We recommended that the Parole Board be allowed to consider reducing a person's five-year sentence to three years. That recommendation has still not come forward as is the case with other recommendations dealing with victims.

This Government is ignoring the problem. Government members attend a large number of functions and talk to the same people as we do, but they are not listening, they are not responding. Are they not responding because there is no money in the kitty to ensure that we have the additional police who are needed to ensure law and order are enforced, and that we have a sufficient police presence to provide a deterrent to criminal offenders? We now have a high level of violent crime. The penalties for crimes against persons compared with crimes against property are far lower. Something must be done. The parole committee also dealt with the severity of sentences for persons who committed crimes against persons compared with crimes committed against property. A comparative review of the Criminal Code must be carried out.

The Leader of the Opposition mentioned graffiti. In a letter to the Minister for Transport over 12 months ago I said, "From my links with the youth in the area, I have been told that

the youths have actually identified the railway stations they will target and take up as their own and use graffiti on them." We had little gangs deciding which railway stations they would cover with graffiti. Despite my suggestion to the Minister that any materials used on the stations be graffiti proof, we continue to see graffiti wherever we travel on the railways. We must ensure that there are heavy penalties for graffiti artists. Graffiti is written not only on local and State Government public buildings but also on the property of private individuals. These people have spent thousands of dollars building beautiful brick walls around their homes, and they are continuously being vandalised by graffiti artists.

MR GORDON HILL (Helena - Minister for Small Business) [3.00 pm]: Before every election we have one of these debates. The Opposition is totally predictable in raising these matters a few months before the election. We sat through the same debates before the 1989 elections.

Mrs Edwardes: Therefore, it is not serious?

Mr GORDON HILL: I will come to that in a moment. The Opposition again has adopted a scattergun approach to this issue. Earlier, the Premier suggested that members of the Opposition should take lessons in how to conduct themselves in parliamentary tactics and behaviour. The drafting of this motion is again a scattergun approach. The last speaker, the member for Kingsley, referred to alleged problems on the railways and alleged vandalism and graffiti in the Wanneroo area. Yet, the motion does not address that issue. The Leader of the Opposition referred to police numbers and increasing crime rates and selectively quoted from Police Department figures that are inaccurate. Yet again, the Opposition has used a scattergun approach in a debate instead of targeting an issue that it believes is worth targeting. If the Opposition is to be serious about these matters, it should pick an issue and focus on it instead of using this forum to debate matters so wide that it loses its way. As I said, this is another pre-election stunt.

Earlier last year, the Federal Opposition in its Fightback package attempted to scare people about crime levels in the community. It said that if the Fightback plan were adopted, we would live in safer communities. That scare a granny campaign was subsequently taken up by the Queensland and Victorian Liberal Parties. It was a tactic they thought was worth pursuing because they believed it was a vote winner. However, it created fear in the community and caused concern and alarm. I do not believe that the Western Australian community will accept that approach. In fact, the Federal Opposition dropped it as did the Queensland Opposition because it was not successful. This Opposition does not have any ideas or policies of its own on how to approach the 1993 election. It is merely adopting what has been tried at a national level by the Federal Opposition with the Fightback scare a granny campaign and which was also adopted by the Queensland and Victorian Liberal Parties.

The Leader of the Opposition referred to a number of statistics which he quoted selectively. My colleague, the Minister for Justice, will also touch on those matters. It is very easy to selectively quote statistics from Police Department reports and files as did the Leader of the Opposition. However, the mean average annual increase of reported offences for the year ending 30 June 1992 was the lowest increase recorded for the previous five years. What should be considered also is the clean up and clearance rate of the Police Department in addressing those problems. In that respect, Western Australia is doing better than most other parts of Australia. In that respect also, we should consider not only police numbers, but also the general police budget and the performance of the Police Force in Western Australia. This Government can say with great confidence that the Police Force in Western Australia has an extremely good clearance rate. That is due in no small way to the resources that have been provided to the Police Department over the past few years.

It is simplistic and utter nonsense for the Opposition to say that the level of crime can be reduced by increasing police numbers. When we came into Government in 1983, the Police Department had suffered from years of decline in its budget allocation and therefore the resources and morale in the Police Department were at an all-time low. The resources allocated to the department were inadequate and the Police Union in this State for the first time ever was considering taking industrial action against the then Government to try to get an increase in the department's allocation. Before we came into office in the 1970s, variations in the budget allocation had ranged around the $6 million or $7 million mark with the budget at that time being around $65 million to $70 million. Since we have been in

office, there has been a 170 per cent increase in the Police Department's budget and annual variations of $20 million, $30 million and $36 million. It is not just sufficient, therefore, to talk about police numbers. Also, when we came into office in 1983 there was one police officer for 496 people, one of the worst police-population ratios in Australia. Now the ratio is 1:383, equal to South Australia which has the best police-population ratio in Australia. It has been increased by 46.8 per cent since 1983.

Where has the increase of 170 per cent in budget allocations gone? It has gone to areas where the Commissioner of Police said the Police Department needs it, including improving the communications system. That has been updated and replaced so that the police can more quickly respond to community needs. The Police Department has a new computerised fingerprinting system that was put in place at the time I was Minister to reduce the man-hours that it took police officers to search for fingerprints to solve crimes. I have already said that the rate of solving crimes has increased dramatically largely as a result of the new fingerprinting system. It considerably reduces the time taken by police officers to search for fingerprints in the previous manual system, sometimes from months to minutes. The time saved can be used in other areas of police work. Members cannot look at the police numbers in isolation but must also look at the allocation of resources as a whole. Resources have been provided to the Commissioner of Police, as requested, in the community policing area, supporting initiatives such as Neighbourhood Watch, Business Watch and Rural Watch. The commissioner recognises that the responsibility for working to prevent and solve crimes is not just that of the Police Force or the Government; the community also has a responsibility. The member for Kingsley referred to the graffiti campaign being conducted on the railway lines in the northern suburbs but she was unable to tell me the location. That, too, is a community responsibility. The problem would not be solved by police officers being stationed at every corner, at every railway station and on every train. That is absolute and utter nonsense. There will always be a certain level of crime. We must give support to the police to enable them to address the problem as best they can, and provide that support in the areas requested by the commissioner.

The national Police Union president said that the Western Australian Government had been good to the police in certain areas and the police had done very well from this Government. The Police Union knows how the Police Force suffered previously under Liberal Governments. It knows that the ratio of police to citizens has increased dramatically and the allocation of resources in the areas sought by the commissioner has also increased dramatically. Those resources have been supplied in areas where they have an effective role in reducing the level of crime and improving the clearance rate. That is not to say this goes far enough for the Government; the Government acknowledges there has been an increase in recent times in the number of reported offences against the person. The Government has asked the Commissioner of Police to look more carefully at the allocation of resources provided by the Government. Of course, it is the commissioner's role to assess the areas of need and to allocate the resources in the best possible way to address that need. However, the Government asks the commissioner and other relevant Government agencies to examine the allocation of their resources to address this problem. The Government rejects this motion as another stunt on the part of the Opposition, as part of its scare a granny campaign which has become the modus operandi of Liberal Parties across the nation.

MR D.L. SMITH (Mitchell - Minister for Justice) [3.14 pm]: I am happy to join the Minister for Fisheries in opposing the motion moved by members opposite. One of the problems in relation to crime of any description is the way in which statistics are kept. As a Government we have been very careful to establish the Crime Research Centre at the University of Western Australia with a foundation grant of $3 million which is now providing the income required by that centre to prepare accurate information about the level of crime and to ensure coordination between the various reporting agencies.

The Minister has indicated that the ratio of police officers to people in Western Australia is 1:383. That ratio is equalled by only one other State; that is, the Labor State in South Australia. The Liberal State of New South Wales has a ratio of 1:424. That is an indication of the level of public expenditure we could expect in this State if there were a change of Government.

One source of information about the level of crime is the annual report of the Western Australia Police Department. The Leader of the Opposition obviously had possession of the

detailed statistics which will be reported to the Parliament in the near future. The report shows that the total level of offences in Western Australia last year increased by 2.2 per cent. It will also show it was the lowest level of increase in this State in recent years. The effective clearance rate last year was 27.3 per cent overall and that is the highest since 1988-89. When Western Australia is compared with the other States of Australia, and one identifies that WA has the lowest rate of increase in crime at the time of a recession and the highest clearance rate in Western Australia since 1988-89, it can be seen that the problem is not as severe as the Opposition has tried to portray. The actual increase in the number of reported offences last year was 4 655. With regard to the allocation of that increase across the various categories, we know from the report that 1 300 came from an increase in offences against the person. The increase last year in that category was from 11 417 to 10 117. Crimes against property increased last year from 188 095 to 189 316.

Mr Bloffwitch: That is still nothing to be proud of.

Mr D.L. SMITH: I know it is nothing to be proud of but if we compare the rate of increase last year - in a recession year - and ask whether it is a vast improvement on the increases experienced in recent years, we must acknowledge we are going in the right direction. It is easy to pick the figure relating to the number of serious assaults and say that the increase from 1 982 to 2 594 is a very serious matter. However, the report states -

> Offences of 'common assault' decreased by 579 (-11.6%). This is due however, to some of these matters being re-classified within the category of 'serious assault', which shows an increase of 612 offences (30.8%) for the 12 months.

It was not an increase in the number of assaults and serious assaults but a reclassification which transferred offences from one category to another. It is purely a question of the way in which statistics are kept. It must be borne in mind also that while offences for theft, property damage, breaking and entering, and the like, are generally reported immediately after the event, many offences for sexual and indecent assault are not reported until some years later, and are often generated by things such as the phone-in program. It is very difficult to identify in any one year when there is a substantial increase in the level of reporting whether there has been an actual increase in the level during that year or whether it is due to the fact that the police have caught up with someone who committed offences many years previously.

Mr Bloffwitch: Should we not be concerned about the increase in crime that is occurring today?

Mr D.L. SMITH: Yes, of course, and I will come to that. If I may take one unfortunate example from my home town, one offender was caught this year who had committed more than 400 offences against some 70 children over the space of 15 years. That person alone could be responsible for nearly 70 per cent of the increase in the sexual assault and indecent assault category. That does not reflect a sudden increase this year. It reflects the fact that that person was finally caught up with and that crimes which he had committed in previous years and which were not reported in the statistics in those years will suddenly appear in the statistics for this year.

Mr Fred Tubby: The same set of circumstances could have happened in the previous year.

Mr D.L. SMITH: All I am saying is that particularly in areas where there can be a long delay between the incident and the report, statistically it is very difficult to -

Several members interjected.

Mr D.L. SMITH: The aberration is not constant, and we need look only at the type of offences to identify that. We know also that offences against the person, particularly the more violent offences, are generally committed against people whom the offender knows. People are most likely to be murdered by their husband or wife or by someone who lives with them, and additional police protection and police numbers will not necessarily prevent or reduce that level of offence. Similarly, it is also unfortunately the case that the person most likely to commit incest or indecent assault on a child is someone who is known to the child, and often that person is within the child's extended family. To increase the level of policing would not change that situation.

We are extremely concerned about the level of crime in the community, and our level of

concern can be identified by our response. Firstly, Western Australia has the equal top ratio of police to population of any State in the Commonwealth. We have employed additional police officers.

Mr Bloffwitch interjected.

Mr D.L. SMITH: It was worse when the member's party was in office.

Secondly, in respect of the way in which we treat offenders, there have been substantial increases in penalties for assault; there are new offences of incitement to commit an indictable offence and of conspiracy to commit an indictable offence; the penalty for attempting to pervert the course of justice has been increased from two to seven years; the penalty for unlawful carnal knowledge has been increased from five to 14 years; and the penalty for assaults on taxi, bus and train drivers has been increased from 18 months to five years. I have here nearly 10 pages of the increased level of penalties for various categories of offences, and that is reflected in the fact that offenders who are caught and convicted are now spending longer in gaol than was ever previously the case. That is the reason that our prison population is increasing at a time when we are trying to do things like decriminalise drunkenness and remove imprisonment for default of payment of fines. Those increases in penalties have been effective. As I stated today in my answer during question time, the average length of stay of juvenile offenders in institutions has increased from 68 days to 90 days. Young offenders are now spending much longer in juvenile institutions than they were previously.

Mr Bloffwitch: That would normally happen in a recession, would it not?

Mr D.L. SMITH: No, it would not. The length of stay is relative purely to the length of the head sentence. It demonstrates that the length of head sentence even in the Children's Court is increasing, partly as a result of our increased penalties and partly as a response by the Children's Court to the concern in the community. Similarly, when we look at the way in which we have approached the recidivist offender legislation - and members opposite may not agree with all of that legislation, and some members on this side may not agree with all of it - in respect of the period over which the records are kept, we can demonstrate a reduction in the particular crimes in which recidivist offenders are most likely to be involved; that is, they are more likely to be involved in motor vehicle theft and breaking and entering than they are in acts of violence to family members or the like, although unfortunately they are now becoming an increasing component of the violent offender category, and the community is trying to address that matter.

In respect of the solution rate by the police in the violent crime category, which seems to be of most concern to members opposite, the actual clearance rate - that is, people charged and convicted of the offences - was 74 per cent last year, not 27 per cent. In other words, 74 per cent of all offenders who sexually assaulted, indecently assaulted, murdered, and did all those other things, were charged and brought to account through the courts. That is met in turn by the higher penalties which we have been imposing. Any analysis of the results this year demonstrates that at least we have achieved what we set out to achieve; namely, the rate of escalation in the level of crime has suddenly slowed down dramatically, and that has provided a circuit breaker so that the policies being introduced by the Department of Corrective Services and the Youth Justice Bureau can take effect, and hopefully in future years rather than slow down the rate of increase we can actually start to reduce the overall level of crime.

MRS BEGGS (Whitford - Minister for Transport) [3.27 pm]: I find it passing strange that the member for Kingsley seemed to indicate in her speech that the Government does not have any concern about passenger security on trains. The Liberal Party's solution to passenger security on trains was to close the railway line when it could not handle the problem. In 1990, a task force which I had appointed on passenger service and security reported to me and recommended a range of proposals which I took to Cabinet and which Cabinet accepted. All of the measures which members have seen happen are happening progressively; members know that as well as I do. There is a high degree of confidence in the public transport system.

Mrs Edwardes: There was confidence.

Mrs BEGGS: There is confidence, and no matter what the member may say, Transperth's present crime prevention strategies and practices are among the best in the world.

Mrs Edwardes: Do a survey tomorrow of the passengers, and talk to the person who was attacked last night!

Mrs BEGGS: Some surveys are presently being conducted. Does the member disagree with the statement that there is confidence in the passenger transport system?

Mrs Edwardes: I am talking about the people who have a lack of confidence at the moment.

Mrs BEGGS: As I said, confidence -

Mrs Edwardes: - comes with security.

Mrs BEGGS: Yes, but these recent incidents - and they are isolated - have received a lot of publicity, and so they should, and they involve a small group of young people who are using the trains to perform other forms of antisocial behaviour, which is very distressing. As Minister for Transport I will not stand by and see passenger confidence in the system be destroyed in any way whatsoever. We do not care what it takes in terms of personnel and resources; we will provide it.

The Leader of the Opposition said that we should give these people batons, but that is not a decision a Government should make; such decisions should be made in conjunction with the police. A debate ensued on juveniles and police, and we should be listening more to the police as they are working in close cooperation with the transport authorities - we should heed their advice. I assure the House that the hooliganism experienced in the last week and a half on trains will not be allowed to happen in the future. The opinion of an expert, Professor W. Harding, is that our present crime prevention strategy is already in line with the best modern practice in the world. Certainly, it needs some refining. Nobody in Western Australia is saying that this sort of antisocial behaviour is acceptable.

[The member's time expired.]

DR ALEXANDER (Perth) [3.32 pm]: I will not support this motion because I do not believe that increased police numbers are the answer to this crime problem. However, I must reply to some points made by the Minister about the public transport system.

Mr Shave: Bring back the birch.

Dr ALEXANDER: No, bring back the guards on the trains! The Minister knows that I fought long and hard - although unsuccessfully - with the Australian Railways Union, along with many in the Labor Party, against this decision. Many of us were disillusioned with this contraband decision.

Mrs Beggs: The ARU now agrees with the decision.

Dr ALEXANDER: It may have accepted the political reality of the situation, but the Minister's claim is not right according to my contacts.

Mrs Beggs: You talk to only one person. The rest of them are supportive; I went to an executive meeting last week.

Dr ALEXANDER: I speak to the rank and file and those who have lost their jobs as a result of the Minister's decision. They present a different picture. The decision to staff only certain trains with so-called passenger service attendants has increased passenger risk. It was a ridiculous decision and has lowered the public confidence in our public transport system.

Mrs Beggs: The train on which the attack occurred had a passenger service attendant on board.

Dr ALEXANDER: I am not saying that if every train had a passenger service attendant on board no violence would happen. However, by playing Russian roulette with train passengers, the Minister is contributing to reduced confidence in the system. However, I do not support the motion as police officers will not solve the problems in the way the motion outlines.

MR HOUSE (Stirling) [3.34 pm]: I support the motion, and in so doing I shall raise a few issues pertaining to country people. A problem experienced in country areas is the lack of a visible police presence. In one town in my electorate the police sergeant made a decision to stop his men driving from the police station to pick up the mail and other such duties. He insisted that they walk, and this had a dramatic impact on the town. This has developed a rapport between the police officers and the people of that town as the police stop to talk to

shopkeepers and become known to the people of the town. That is something we should encourage.

Mr Shave: They are probably fitter too!

Mr HOUSE: Indeed.

Mr Wiese: In Narrogin the police are using push-bikes, but the community had to buy the bikes for the police.

Mr Taylor: That is good community support.

Mr HOUSE: We need to make better uses of the resources we have. As the member for Wagin indicated, the police can use push-bikes or walk to make better use of resources.

A complaint from regional police chiefs is that they have no ownership of decision making for their areas. These are senior policemen with a great deal of experience, and it would be a step forward to allow these people to make decisions affecting their regions. Also, the provision of secretarial services to some country police stations would be very helpful. I am sure members have been to country police stations and seen the officers attempting to type out a charge sheet or a brief for court; this takes them hours because they are not trained typists - they are trained for other things. I am not sure of the situation in the city, but the provision of secretarial staff in those areas would allow the police to be out on the beat and out doing their job.

An important issue which has arisen during the past few months is the so-called regionalisation of traffic police. This resulted in the location of all traffic police within a region in a particular town rather than having them spread throughout the area. In my electorate the traffic police have been taken from the smaller towns and centralised at large towns. Therefore, these officers have lost touch with the local communities in which they had a rapport - they knew how those communities worked. The local knowledge allows the police to make good judgments, not based on what they happened to see at any particular moment, but based on what they know about the circumstances and the persons involved. That is sensible policing. In other words, policemen operating in this way administer their duty in a way to which people respond. Since the regionalisation of the traffic police the number of country traffic accidents and fatalities has increased dramatically. The National Party is cognisant of and concerned about this situation.

Another problem in rural areas is that of relief for police who are on leave or attending courses. Generally, every police station which has an allocation of six policemen is always one short all year due to leave entitlements and update courses. That problem must be addressed.

Interestingly, over half of the Ombudsman's report to the Parliament involved the police. That indicates a serious problem, not just in the way the police perform their duties but also in the way the public respond to the police and the way they operate. It is important that the Parliament respond to these problems. For many years the National Party has advocated the establishment of a police board which would act as a circuit breaker between the Commissioner of Police and the Minister. This would result in greater community understanding of and involvement in police affairs without more police direction. Crime is not just a matter for the police; all citizens must become involved in making our community a better place.

Mr D.L. Smith: Very good speech; I hope you will vote the right way.

Mr HOUSE: I will. I support the motion, and I hope the Government recognises the points raised in the debate and accepts them.

Also, the number of juvenile offenders has increased. The National Party has been a strong advocate of the outstation camps for young people, at which these people are made to work and learn to understand the value of life rather than being locked away in a detention centre. The Minister indicated that increases were evident in the sentence duration for young persons, but the important thing is what they learn during that time. The very strong view of the National Party is that outstation camps where they are taught work and trades and given opportunities to take pride in what they are doing would be of benefit to young people and the community.

MR DONOVAN (Morley) [3.40 pm]: Since the member for Darling Range and the member for Floreat have ceded me the balance of our scarce time, I preface my remarks with this: I do not think we should be debating a matter of public importance today. I entertained moving an MPI yesterday and thought I might receive support from the Government. In fact, the Minister for Productivity and Labour Relations suggested I might well get some support on such a motion. I considered the matter this morning and decided that, since we spent two days discussing the Royal Commission, ending in the fiasco last night at midnight, we have not dealt with one substantial item of Government business other than some second reading speeches. I firmly believe we should proceed with Government business.

Mr C.J. Barnett: Tell the Leader of the House that.

Mr DONOVAN: The member for Cottesloe cannot cop out of the situation in that way. This is about collective responsibility; we went over that last night. This is yet another hour away from the routine business of the House, and one we should not have added to those already spent.

Mr Lewis interjected.

The ACTING SPEAKER: Order!

Mr DONOVAN: That is my point of view. The member for Applecross might not like it, but I happen to think it is reasonable.

Mr Lewis interjected.

Mr DONOVAN: That position is heightened when one considers matters of public importance. I do not agree that every time a peak occurs in social problems in this State we should necessarily respond with a knees jerk and make politics out of it in here. That has never helped in the past. I do not see any evidence of that helping here.

Mr Bloffwitch interjected.

Mr DONOVAN: I am on a train route, and am a good user of trains as are most of my electors. We know about them; we do not live in Peppermint Grove. Any experienced community policing officer will tell the member for Geraldton that more cops do not necessarily mean less crime. They never have.

Mr Lewis interjected.

Mr DONOVAN: I will talk about some of those people as well.

Several members interjected.

The ACTING SPEAKER: Order!

Mr DONOVAN: Police, judicial, criminological, social research authorities and service delivery agencies around the world will tell members the same thing. More cops do not necessarily mean less crime.

Mr Clarko: Why do you not just give criminals a hug and a kiss?

Mr DONOVAN: That is not the issue. This motion does not propose anything that has not been proposed ad nauseam in every State of this Commonwealth to absolutely no effect. A graphic example and an issue on which I fall out with the Government is the knee jerk reaction by this House with the introduction of legislation in response to legitimately expressed community concerns in February of this year. The impact of that legislation has been absolutely zilch.

Mr D.L. Smith interjected.

Mr DONOVAN: The Minister will not agree. What has worked in this State are some of the programs which have been instituted over the past couple of years, notably the police cautioning system. Last year it had a successful impact on juvenile crime in this State. My opening statement was that crime is not solved by putting more people in blue; crime problems are solved, if they are to be solved at all, by addressing the cause of the crime.

Mr Lewis: Lousy government for 10 years is the cause of the crime.

Mr DONOVAN: I have been in Parliament for only five and a half years, but every time this debate has arisen, the proposal has been to recruit more cops, battens, and guns. None of

those things works. One of the most successful programs, as you, Madam Acting Speaker will know because you live near me, particularly in relation to breaking and entering offences in Bassendean, was the introduction of policemen on horseback patrolling the streets. There are many ways -

Mr Lewis interjected.

Mr DONOVAN: That is where the member for Wagin comes in. I would prefer to fix the member for Wagin's bike than feed the horses, quite frankly.

Mr Shave interjected.

Mr DONOVAN: I am saying there are a number of approaches to these kinds of problems that should be addressed; first and foremost, the causes must be addressed. This kind of motion, like the others that have come up in this place, does not, never has, and will not, address them until we become serious about the cause of the problem rather than simply react with our knees whenever there is a hiccup in the community.

Division

Question put and a division taken with the following result -

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Ayes (21)

Mr Ainsworth	Mr Court	Mr MacKinnon	Mr Fred Tubby
Mr C.J. Barnett	Mrs Edwardes	Mr Nicholls	Mr Wiese
Mr Blaikie	Mr Grayden	Mr Omodei	Mr Bradshaw *(Teller)*
Mr Bloffwitch	Mr House	Mr Shave	
Mr Clarko	Mr Kierath	Mr Strickland	
Dr Constable	Mr Lewis	Mr Trenorden	

Noes (23)

Dr Alexander	Dr Edwards	Dr Lawrence	Mr P.J. Smith
Mrs Beggs	Dr Gallop	Mr Marlborough	Mr Taylor
Mr Bridge	Mr Grill	Mr Pearce	Mr Thomas
Mr Catania	Mrs Henderson	Mr Read	Dr Watson
Mr Cunningham	Mr Gordon Hill	Mr Ripper	Mrs Watkins *(Teller)*
Mr Donovan	Mr Kobelke	Mr D.L. Smith	

Pairs

Mr McNee	Mr Graham
Mr Minson	Mr Wilson
Dr Turnbull	Mr Leahy
Mr Watt	Mr McGinty
Mr Cowan	Mr Troy

Question thus negatived.

DARDANUP PINE LOG SAWMILL AGREEMENT BILL

Committee

Resumed from an earlier stage of the sitting. The Chairman of Committees, (Dr Alexander) in the Chair; Mr Taylor (Minister for State Development) in charge of the Bill.

Pages 18 and 19 -

Progress was reported after the pages had been partly considered.

Mr OMODEI: I am concerned at some of the Minister's comments about the timing of the passage of this Bill. As was raised in question time today in relation to the conservation movement, the Minister knows that Bunnings Ltd and Wesfarmers Limited are large timber millers in this State which operate on a large proportion of the State resource. From time to time they are subject to some unfair criticism, but they are good corporate citizens. I have lived in the south west area and, having grown up with those industries, I know them well. Given that we are allocating this project almost the totality of the pine softwood, it would be

unwise to rush this legislation through because at some time in the future it could be seen to be folly if mistakes are caused by undue haste.

Mr Taylor: As I said earlier, rather than rushing through the legislation the Chamber now has the opportunity to go through this agreement page by page, which is not normal. We can consider the schedule in toto. We have something very important before us.

The CHAIRMAN: Let me just comment because I was partly responsible for this solution. It is within the Chairman's discretion at any time to allow a matter to be dealt with other than in the usual manner. In a sense this is a response to another debate in which we are still involved - the Minister for Transport would appreciate this point - about the National Rail Freight Corporation where the Committee debate is rather bogged down. One of the reasons for that was that the order was not clear. It seemed to me - in hindsight, maybe I was wrong - that it was a sensible arrangement.

Mr Taylor: In hindsight, I do not think it is wrong. I am merely pointing out to the member for Warren that we have the opportunity to go through this legislation point by point.

Mr OMODEI: Mr Chairman, if at some time in the future it is found that a mistake has been made in the deliberations of this Parliament, you can argue that the due process was undertaken in this Chamber. It is very important when we are dealing with a great proportion of the softwood resources in the State that we make every effort to dot all the "i's" and cross all the "t's". I seek clarification from the Minister on clause 10(1)(b), as the wording appears to be ambiguous. It states -

> If the Company desires an expansion of the capacity of the pine log sawmill above 400,000 cubic metres per annum the State shall investigate its capacity to supply to the Company upon reasonable and commercial terms and conditions further quantities of log timber within the limits of good forest management as it is at that time able to supply from the State softwood forest or -

this is the part I am concerned with -

> - if the State determines that the requisite supplies are not available from that source then such other forest under its control, if any, as may be a practicable and commercial source of supply for the Company having regard for the place or places of its operation.

I find the words following "if the State determines that the requisite supplies" hard to understand. It does not make sense. Could the Minister explain what it means? Will it mean that these timber resources will materialise out of thin air?

Mr TAYLOR: My understanding is no, of course the companies will not make it materialise. It relates to the companies having other resources under their control. If it is possible, practicable and commercial the companies may be able to access resources in other areas of the State, for example the pine forest to the north of Perth in coastal areas, although that may not be a good example. The issue is practicality and commerciality in those decisions, rather than saying that the resources are there so we must use them.

Mrs EDWARDES: Clause 10(3) provides for a requirement for the State to supply log timber over 20 years; however, there is no minimum purchase obligation on the company to receive timber. Added to that is a provision that the State shall ensure that it will not contract to supply from the State's softwood forests on terms more favourable than is required under the contract to the company. Does it mean that if the company does not use the total production, the Government may not go to a third party on terms more favourable than those given to the original company? If the State has excess timber which the company has not taken up, it must be sold at the same price. In that situation it may be more reasonable for the Government, as a vendor, to drop the price to attract further purchasers. Under this subclause the Government could not do so. What reasons were given for the no minimum purchase obligation, particularly if a company does not take up all the timber from the State and the State cannot then sell it to somebody else at a lower price?

Mr TAYLOR: The Government is saying to the company that it will not be in the business of selling the timber cheaply to companies or undercutting their operation. Those companies go into the deal knowing full well where they stand. Any other companies involved in this industry will know also that anybody else who becomes involved is not to be undercut. A

similar example exists in other agreement Acts, such as the Nickel Refinery (Western Mining Corporation Limited) Agreement Act, where the requirement exists that if anybody else is to be allowed to pay a lower royalty than Western Mining Corporation Ltd, the prior approval of Western Mining must be obtained.

Mrs Edwardes: Why is there no minimum purchase obligation in clause 10 by the company to take all the timber from the State?

Mr TAYLOR: When I find that reference in the Bill, I will answer that question.

Pages put and passed.

Pages 20 and 21 -

Mrs EDWARDES: These pages refer to the Bunnings and Wesfi commitments. Clause 11(1) refers to the selling of timber from the Bunnings softwood plantation to the company at prices equivalent to the prices payable by the company to the State. That is obviously linking the supply for the agreement to the State. Why is the word equivalent used rather than the same price? Could Bunnings or Wesfi charge a premium over and above that? Equivalent really means different from, rather than being identical to.

Mr TAYLOR: Equivalent, as I understand it, means similar to.

Mrs Edwardes: It is something different from; it is not identical and is not the same.

Mr TAYLOR: Equivalent to means equal to.

Mrs Edwardes: No; it does not.

Mr TAYLOR: We have a different understanding of the word.

Mrs Edwardes: Is your understanding of this that the commitment by Bunnings and Wesfi will ensure the same price, identical to that which the agreement provides?

Mr TAYLOR: No; it is not identical to that. Different sorts of timber may exist of different sizes and qualities. One cannot say that it will be exactly the same because all sorts of issues come into the pricing of logs.

Mrs EDWARDES: It is not stated that the supply obligations for Bunnings and Wesfi will be for any particular period. Given that there is a 20 year plus 20 year period of supply by the State, why was a particular period not set down in those two clauses?

Mr TAYLOR: I imagine that Bunnings and Wesfi would be making certain that they make their timber available to their own operation. The Government is not locking them into the 20/20 years as such. It expects them to get access to the quality and price of timber they want from their own plantation. They are virtually locking their own plantation into supply in this mill. I expect they will do that over the course of time, and will have quite a significant resource available.

Pages put and passed.

Page 22 put and passed.

Page 23 -

Mr COWAN: Clause 13(1) deals with the issue of transport. The agreement contains an unequivocal commitment for the company and the State to deal with roads. What are regarded as private roads? My understanding is that they would be the roads that the company would be required to maintain between the sawlog mill and the particle board factory. Are there other roads? Clause 13(2) states -

> The State shall maintain or cause to be maintained those public roads under the control of the Commissioner of Main Roads or a local authority which may be used by the Company for the purposes of this Agreement to a standard similar to comparable public roads maintained by the Commissioner of Main Roads or a local authority as the case may be.

Concern has been expressed by the South West Ward of the Country Shire Councils Association. I was invited to a special meeting held by that association in conjunction with Local Government Week. There is clearly an obligation on the State through the wording of the agreement for roads which are likely to be identified by the company or its contractor for

the transportation of sawlogs to the mill. It is somewhat regrettable that no indication has been given of how the State will meet its obligations. I am not asking the Deputy Premier for confirmation that the Government has an obligation. I would like him to indicate clearly how the Government will satisfy that obligation under the contract in order that the local authorities may be made aware of what assistance they will receive from the State to maintain log haul roads.

Mr TAYLOR: The definition of "public road" is contained in the schedule to the agreement. My understanding of private roads is that they would be those roads outside the sorts of roads defined under the Motor Vehicle Insurance Trust; that is, roads into pine plantations which have been built by the companies in order to haul logs out. Of course, the companies will be responsible for them. During the second reading speech I made a point of mentioning the south west road strategy which the Government has put in place to look at major public roads throughout the south west, not only for this project but also for other projects.

Mr Cowan: One of the councillors at the meeting indicated that it is a bit like every other Government body. When all is said and done, much more is said than done.

Mr TAYLOR: They are part of the strategy, so I assume that they want to be part of it. I have met twice with councillors involved in the issue of smaller roads and I accept that those smaller roads may be subject to a large number of pressures over a short period, such as when logs are being hauled out of one part of the forest. Those roads may be little farm roads which are used by only a couple of cars a day. They are put under enormous pressure when all of a sudden they become log haul roads.

At the request of the councils the Government has agreed to employ a consultant to work out what to do with the smaller public roads. The larger public roads will be maintained by normal local authority, State and Federal funding. The councils have suggested that a small levy be imposed on the road haulage trucks using the smaller roads. I do not know whether that is constitutionally possible. I am not sure how we will meet the costs associated with maintaining these roads.

We have to work out the extent of the problem with the consultant and determine which roads will be used as well as the cost of maintaining them. It will be a question of maintaining roads rather than building them and I do not know from where the money will come. However, I recognise it is a problem that will have to be addressed.

Dr TURNBULL: I understand there have been meetings between the Minister for State Development, the Minister for Transport and representatives from local authorities in the south west. It was stated at the meeting that representatives would be appointed to the south west road strategy.

Mr Taylor: They have been.

Dr TURNBULL: It was also stated that the working group would be expanded and that the Main Roads Department would give consideration to the smaller roads as well as the roads which come under the jurisdiction of the Main Roads Department.

Mr Taylor: That is what I said.

Dr TURNBULL: The South West Ward of the Country Shire Councils Association has not received any communication in writing. Will the Minister confirm these facts in writing?

Mr Taylor: I expect the Minister for Transport will.

Dr TURNBULL: Is it possible for the Minister to ask the Minister for Transport to confirm that in writing.

Mr Taylor: We have had two meetings on this issue and the agreement is that we will appoint a consultant to meet the councils to work out the issues associated with the smaller roads.

Dr TURNBULL: As the Minister for Transport has just come into the Chamber I ask her whether she will confirm this in writing to the South West Ward of the Country Shire Councils Association.

Mrs Beggs: Yes.

Mr OMODEI: We are referring to local government classified roads. I understand that

Bunnings and Wesfi have indicated to the local authorities their requirements for this road network. The local authorities are more than happy with the discussions with the company's representatives, who went to great lengths to explain what will happen with the road network.

I am not happy with the noises made by the Minister. He must make a specific commitment. If the roads are classified as class one or class two roads they will come under the jurisdiction of the Main Roads Department and, therefore, will be looked after by the State. If the Minister thinks he will convince local authorities to wait for funds from the Grants Commission he has another think coming. He must give them a commitment in writing. For example, the Bridgetown-Greenbushes Shire Council will face a huge maintenance bill for these roads. The local community will not benefit from this project, but the surrounding areas, like Dardanup, certainly will. The local authorities need a commitment and if one is not forthcoming it will mean that the ratepayers will foot the bill for the maintenance of these roads which could involve a significant amount of money.

Mr Taylor: I have already covered this issue in the second reading speech and in the first part of the Committee debate.

Page put and passed.

Pages 24 and 25 put and passed.

Page 26 -

Mr DONOVAN: I refer members to subclause (3) which deals with resumption for the purposes of this agreement. I understand that the member for Wellington will move an amendment to clause 4, which relates to this part of the zoning clause. Subclause (3) on page 26 of the Bill deals with the resumption of part or parts of the land coloured blue on plan A and also provides the Minister with the ability to extend those provisions to the area coloured brown on the plan. This has been the subject of substantial representations by people who live in the affected area to Independent members and members of the Opposition. We normally do not have representations from the Conservation Council of Western Australia on matters dealing with commercial aspects of land issues, but even it has expressed alarm at this provision. While I would not go as far as it has, it is worth noting that the council stated -

> This is draconian legislation which could deprive the unfortunate citizens who own or occupy land adjacent to the site of their common law rights.

I do not know whether that is an overstatement, but I am concerned that this is another example of the State having a need for a particular industry in overall economic terms. I have always accepted what the Minister has said about this agreement both publicly and in this place. I accept the industry is important to the State and that this provides it with an opportunity to be competitive on the world market. However, it worries me that in situations like this a shotgun is held at our heads. A shotgun has been held at our heads in relation to the issues involving the mining industry and the developers have been virtually able to say, "Either you give us what we want and subsidise our capitalisation or we do not go ahead with the proposal." I understand that is basically the bottom line and that Wespine Industries Pty Ltd is putting the Government in this situation: Either the Minister delivers for the State resumptive powers under the Public Works Act for it to have the ability to sell or lease to Wespine at terms favourable to it, or Wespine will be obliged to negotiate a market price with the owners.

Wespine Industries Pty Ltd says that would disadvantage it, therefore it would not proceed with the development. I find that sort of shotgun approach offensive. I do not know what is the solution to that approach, but I wish to express as forcefully as I can in this place that it is the most offensive way for any industry to go about the process of getting legislation in its favour. That is basically what this is about. Wespine is saying to the Minister, and through him to the Government, that it should be given cheap land that it needs to meet the conditions that have been imposed on it quite properly for a buffer zone - which, by the way, is its responsibility to provide and not the responsibility of the residents. That is, it should be given a subsidy, if you like, to meet its environmental and social obligations or it will not proceed with the project.

I realise that that puts the Minister and the Government in something of a dilemma, but I do

not accept that we should simply give in to that sort of proposition. I do not know how often that sort of proposition would have to be surrendered to before the State ended up surrendering other areas of legitimate authority it might have on these questions. It seems to me that once one opens up that sort of process one winds up caving in more often than one succeeds in achieving one's environmental and social obligations. That is one aspect of the matter.

The other matter that concerns me is the position of the residents. I am sympathetic to people, I suppose, who acquire land for residential purposes, or whatever, and then find themselves in the position where instead of being able to trade that land on a market basis - which is what most people in this State apart from me say is the best way to trade land - they are forced out of that opportunity by the State acting on behalf of a company, as in this case. I do not think it is an unfair or unreasonable proposition that Wespine should, in this situation, be obliged to negotiate a favourable price acceptable to both parties; that is, the residents and the developer.

The sort of proposition that the residents have put up is not, in my view, totally unrealistic. They are saying that they accept that a straightforward market bargaining situation might be difficult to achieve so they will accept an umpire's decision on the matter. I think the umpire to whom they refer is the Institute of Valuers. That does not seem to me to be an offensive proposition; in fact, it seems to be a reasonably fair one. It puts the residents in a quite proper and appropriate market position. Indeed, most members of this place would say about any other issue that there should not be an umpire and that people should be able to negotiate the best price they can get. In the same situation many Opposition and Government members would argue precisely that proposition.

The residents are offering some sort of concession by saying that they will not press in that way and will accept an umpire's decision. What they will not accept is a resumption and the Government's telling them what compensation or price they will get for their land. I think their concerns are reasonable and should be well represented in this place.

Mr Omodei: What is the solution?

Mr DONOVAN: Surely the first solution is to say to Wespine that it should consider the proposition that the residents are putting and negotiate with them. Wespine will say, as it has said to me - and no doubt to other members - in a recent letter dated 19 October, that in one case it did that in relation to a piece of land owned by Mr Goyder. The letter states -

> In the case of Mr Goyder, who purchased his land in January '91 for $150 000, he opened his negotiation by suggesting that while his land was worth $500 000 (Valuer General's figure September '92 $160 000) he was prepared in goodwill to accept $400 000.

In the terms of Opposition members, and not in my terms, that is called "opening bidding" is it not? That is not the sort of position I come from. I come from a quite opposite position, but most people in this House accept the marketplace. I do not always do that, but in this situation, and on the basis of the two examples given, it seems that the Government is prepared to accede to what the company is saying, which is basically that if this is the kind of figure land owners are going to throw up to the company it cannot meet those figures and its cost overheads would become unrealistically high.

I do not think that we should instantly cave in to that approach. I think that in this case Wespine ought to be encouraged by this place to negotiate with the people whose properties it wants to buy to fulfill a development obligation. Its first line of defence should not be to ask what it wants and go to the Parliament to get that for itself. I know I am not answering the member's question well, but I do not know what is the solution.

Mr Omodei: If you do the opposite to resumption you will hold the company to ransom.

Mr DONOVAN: That is what the company says. Of course, I do not accept that that must be the outcome. The residents are prepared to accept the Institute of Valuers, which seems to me to offer an umpire. They are saying they will withdraw from a straight market situation and accept an umpire's decision but that they will not accept a simple imposition. That, in my view, represents a willingness on their part to compromise. I do not see the same willingness on the part of Wespine to compromise.

This Parliament should be saying to Wespine that it should do its homework on this matter and then if it gets stuck perhaps come back to the Government. I am reluctant to see the application yet again in this place of an agreement like this that simply favours a company over surrounding residents to their disadvantage. I say that with a full awareness of the situation. As I said at the outset, I understand what the Minister is saying about the importance of this development to the State and I accept that. I do not accept the shotgun approach to this matter, which is how I see Wespine's approach to the Parliament.

Mr COWAN: Before I proceed, perhaps the Committee should give thought to what will happen later in this debate when we come back to discuss this provision in the agreement and when the member for Wellington seeks to amend clause 4. I assume that if we debate this matter now we will still be able to debate the effect of this clause when we seek to amend clause 4 of the Bill. Is that correct?

The DEPUTY CHAIRMAN (Mr Thomas): I will give that matter consideration while the leader of the National Party is speaking.

Mr Taylor: People have indulged in tedious repetition before.

Mr COWAN: I think the Deputy Premier would appreciate that if the person in the Chair wanted to be a stickler for Standing Orders he could say that this matter had already been debated.

Mr Taylor: I would hope he would do that.

Mr COWAN: I wish to comment on the resumption clause. No doubt this is a somewhat vexatious issue. We must trace the history of the particle board factory and the location of the saw log mill. People who have familiarised themselves with the history of the operation will know that the particle board factory was established first. It was always expected that it would be possible either to acquire through the company land adjacent to the particle board factory for the saw log mill, or if there could be no direct purchase from the owner of the land the Government would be prepared to resume land adjacent to the particle board factory for the siting of the saw log mill. That did not happen. Consequently, the saw log mill was located 600 metres from the particle board factory. All the planning associated with this had to be adjusted accordingly. Those adjustments are what we are talking about when we refer to this clause and the land which might be required to be purchased or resumed for the purpose of establishing a buffer zone.

Every member of Parliament has been approached by people who own land within the buffer zone, particularly the blue zone. Contrary to the expressed opinion by the member for Morley the company intends to purchase the land within the blue zone. However, it disappoints me to learn second-hand from the landowners concerned that the company is prepared to offer a price commensurate only with the mean average price of unimproved agricultural land throughout the entire shire. That is not the right approach by the company. If that is the case, it is not the correct approach. If the company's bona fides are genuine it should be offering people whose land falls within the blue zone a fair and reasonable price, not the average unimproved capital value of rural land throughout the shire. If the company has instructed its agent to offer that type of price, it must do better. The difference between what is proposed by the member for Wellington and what will exist in the agreement - if Parliament agrees - is that the Government or the State may resume the land. The question remains: Who will be responsible for acquiring the land, and what will happen to it afterwards? My understanding is that the member for Wellington thinks it should be more definitive. He wants to ensure that the Minister shall cause the company to purchase land over a large area; that is, land which extends well beyond the blue zone.

While we accept that the company should meet its obligations in respect of land within the blue zone, it should purchase the land and not require the State to resume it. In purchasing the land, it should offer a commercially acceptable price based on real agricultural land values. I understand that agricultural land in the area currently is worth between $2 000 and $2 500 an acre. I do not know what that means per hectare; perhaps someone can enlighten me.

The DEPUTY CHAIRMAN (Mr Thomas): It is between $5 000 and $6 250.

Mr COWAN: I understand the price offered by the company is around $2 000 a hectare; in other words, $1 000 an acre less than the commercially acceptable price. The company

should demonstrate its bona fides. If it is to acquire land in the blue zone, as it has undertaken to me and as I understand is its wish, it should have instructed its agent to offer a reasonable price. It is important that both the Parliament and the Government consider carefully the two issues relating to the buffer zone to ensure that the wishes of the residents are met. While some residents are not all that unhappy with the saw log mill and do not wish to move, I am sure they will insist upon the Government making sure that the noise level standards set by the CER are met. There is no need to extend the buffer zones beyond the blue zone unless, of course, someone violates the noise levels. It is important to put the two in context. If we establish a buffer zone the responsibility should be on the company to purchase land within the blue zone. It should offer a realistic price for the land in that zone. It should also ensure that it is capable of meeting the standards set by the CER for noise levels. Were that the case, the two would be compatible - the mill could operate and the residents would be satisfied that they would not be disturbed by the activities and noise levels at the mill. Should that not be the case, the Government has the responsibility in respect of land within the brown zone and even the residential blocks at Padbury Fields or Copplestone Estate.

The siting of the mill is a consequence of some very bad planning when the particle board factory was first established. It was expected that the mill could be established on land adjacent to the factory site. That proved not to be the case. I do not know the reason, but the company could not acquire land adjacent to the factory, for reasons best known to the company and probably the owners of the land. It had to relocate the sawmill and so some of the planning had to be adjusted. In making that adjustment, we find the preferred buffer zone of about one kilometre is impractical because of the cost of resumption of developed properties. If it proves to be that the residential lifestyle is incompatible with the location of the sawmill, because of the previous Government's incompetent planning processes, then successive Governments must accept responsibility. If land must be resumed within the brown zone, the resumption process should take place and the Government should take responsibility; it should resume land and lease it back to the company.

In summary, the company should be responsible for the purchase of land in the blue zone. It should not be a "maybe". It should be stated that the company shall be responsible for acquiring land within the blue zone. Any land required within the brown zone, or outside it, should be the responsibility of the State. The State should go through the normal process if that is the case.

Mr Taylor: It could mean the State's buying it.

Mr COWAN: If residential living within the 1 000 metres is incompatible with the location of the sawmill, it should be the responsibility of the company to offer a realistic price for property in the blue zone. If it shows that the brown zone is not compatible with other industries - agriculture is one, and no-one can quibble about agricultural pursuits being continued - and the residents at Padbury fields or Copplestone find it impossible to live there because of the noise level, the State should be responsible for dealing with that because it was a very poor planning process in the first instance.

Mr THOMPSON: This agreement Bill does not say anything about anyone buying anything. It is based on a premise that there is no incompatibility between the operations now or the expanded operations of the mill with the land adjacent to it. It says that the State will ensure there will be no change to the status of the land in the blue or brown zones for the life of this agreement. There is nothing inconsistent with that; it applies in many other parts of the State. It affects a lot of people who live and own land in my electorate. A classic example occurred 20 years ago when I purchased eight and a half acres of superb land in the Bickley Valley. I bought it to run horses, but I was also cognisant that a couple of years before I bought the land it had been the subject of an application to the Planning Commission for subdivision into half acre lots. That had been approved, but because there was no demand for the land - actually the bloke who owned it went bust - the approval had lapsed. I bought a piece of land zoned rural but within the boundaries of the Bickley townsite. I knew that it had already had an approval for subdivision into half acre lots and although I did not immediately plan to do that, it was a factor that influenced me in buying the land. I had no right to expect that it would be subdivided into half acre lots, but in the history of it I could be reasonably certain that one day I could subdivide it into half acre lots. In the intervening period a Government agency decided to harvest water, so it became a water catchment area

and by the stroke of a ministerial pen the land did not change its status but it coloured the attitude of the Planning Commission to any other application for future subdivision. That applied to me and to dozens of other people who lived in the same area. I have had to accept that in the wider interest of the community and I have had to forget about becoming a rich man by flogging subdivided land. There is a direct parallel with the Dardanup operation and my experience at Bickley. The status of the land in the blue and brown zones is rural. I know there are some exceptions, but the majority is rural. Nothing that will happen with this mill development will preclude the people who own that land from doing the things for which the land is zoned. I can see that the people who own the land, unfortunately like me, will have to accept that for the life of that agreement they cannot expect to subdivide the land. That is what they are on about. Certainly a number who came to see me have that view.

Mr Donovan interjected.

Mr THOMPSON: There is no doubt that is in the public interest. The economic life of this nation depends on deals like this being consummated and put into operation. Nothing in the agreement Bill says anyone must buy anything. The company can build its plant and I am satisfied, having spoken to the company and its advisers, that there will be no greater disruption to that community than is the case with the existing operations of the mill. The company wants to be certain that the State and agencies of the State, including the local authority, do not change the zoning on that land because that will create a conflict between the operations that may go on that land with the changed status and the mill. The only suggestion in the Bill that it may be purchased is that it gives the authority to the Minister to use the powers of the Public Works Act to resume the land. That is a sensible provision because it may come to pass, because of the insistence on the part of the owners that the land should be purchased, that where a satisfactory agreement cannot be reached between the land owners and the company, the Government may be called upon to use those powers to resume certain land. The member for Wellington's amendment proposes the involvement of an independent arbitrator. The resumption powers of the Public Works Act include a provision for an independent person to be called in.

Mr Bradshaw: That part of the Public Works Act has been excluded from this Bill.

Mr THOMPSON: That is something of a weakness, but does not detract from the major points I have made. In my view there is no justification for placing an obligation on the company to buy anything. There is justification for the agreement Bill in its present form to be passed so that the State and agencies of the State do not change the status of the land and produce conflict between the operations of the mill and any land which is adjacent to it. I know of people who own land in that area who will be disappointed with what has transpired, but it is a disappointment that is experienced by a lot of people in the community - me included - and I am afraid there are winners and there are losers.

Mr Taylor: I cannot see how people will lose as a result of this. They will get a fair price and will be dealt with fairly.

Mr THOMPSON: I am sure they will. I have no doubt that the consortium involved in this, composed of two reputable companies, will deal fairly with the people with whom they have negotiated.

Mr COWAN: I do not think the unimproved capital value of agricultural land is a fair price. I hope the Minister can correct me if any of my information is wrong.

Mr THOMPSON: I am convinced that the consortium which is made up of these two companies will deal with the people fairly. The member for Morley cited the case of the man who bought a piece of land for $150 000, thought it was worth $500 000, was prepared to sacrifice it at $400 000, but ultimately accepted $180 000 when the valuation placed on it by the Valuer General was $160 000. He got $20 000 more than the Valuer General's valuation.

Mr Bradshaw: I do not think he has accepted the $180 000.

Mr THOMPSON: I do not want to divulge my sources because I might embarrass someone.

Mr Bradshaw: Has he?

Mr THOMPSON: I do not know; I thought the member for Wellington told me that.

Mr Bradshaw: No, I didn't.

Mr THOMPSON: I am sorry. I thought the member had indicated to me that he had accepted $180 000. Certainly, having paid $150 000 for it, after it had been established that the mill would be built there, and to then hold out for $400 000 weakens the case of anyone in that area who is agitating for something to occur. There have been plenty of parallels in this State over the years in this area. For instance, I was very critical of a conservative Government establishing the Industrial Lands Development Authority. I share the view of my colleague the President of the Legislative Council who thinks that the authority went around stealing people's land. In fact, the activities of the Government in establishing a standard gauge railway line and other infrastructure at that time dramatically raised the expectations of people who owned land in that area about the price they may get for it. If the Industrial Lands Development Authority had not been established a lot of industry may never have got off the ground because it simply would not have been able to afford the prices that some of those people who were looking for a windfall profit would have demanded for the land that they owned.

I feel some concern for the people who own land in that area because I know that their aspirations would have been for beautiful land, close to Dardanup. The sky was the limit. However, because a decision has been made to establish major industry there, the Government in fairness to that company is obliged to enact legislation which ensures that the status of that land does not change. In the fullness of time the company will buy that land. I am sure that arguments will occur over the value that is paid for the land, but I appeal to the consortium involved to deal fairly with those people and not substantially disadvantage them. The people who own the land should not expect to reap a windfall profit of the magnitude of the case to which I referred. They cannot expect that sort of escalation; it is neither right nor fair. However, I hope that the company will be able to arrive at a fair valuation somewhere in the middle. I think that eventually the company will buy that land and grow trees on it.

Mr Bradshaw: There is a plan to put light industry on it.

Mr THOMPSON: That may be the case. However, the company really cannot put light industry there because the Bill provides that the status of the land cannot be changed. If the status of the land cannot be changed for private landowners it certainly should not be changed for the company. I suppose that is a matter for negotiation. Although the member for Wellington's amendment is not yet before the Committee, I indicate now that I do not intend to support it.

The CHAIRMAN: In response to an inquiry from the member for Darling Range earlier - I was not in the Chair at the time - if this discussion is undertaken now I will not allow it again under the amendment.

Mr BRADSHAW: It is wrong that the Government has included in the Bill that the land for the buffer zone may be resumed under the Public Works Act and by the waiving of sections 17(2)-(7) and 17A of that Act. The requirements for *Government Gazette* notification, the appeal process and the ministerial procedure will be abolished. The Western Australian Farmers Federation is totally opposed to that concept. I received a letter dated 29 October from the Shire of Dardanup indicating that the proposal to give the Government the power to resume land for a buffer zone under the Public Works Act was unacceptable. A fair amount of concern exists in the community about what the Government is doing in this Bill. It is wrong that the Government has included in the agreement that it can resume this position under that Act. The Government should back away from that proposal.

Mr TAYLOR: The member for Morley raised what he considered to be a shotgun approach to this issue. I do not necessarily agree with that description. In fact, this resumption clause in the end states that this is what will happen if necessary. The member for Darling Range and others have pointed out that it is only an "if absolutely necessary" clause. It is not an unusual type of clause and such clauses are contained in other agreement Acts, particularly some of the mining agreement Acts. To my knowledge it has been used very rarely in Western Australia. It is a clause which states that if in the end proponents cannot resolve the issues about any buffer zone, it may be necessary for this clause to be used to overcome the problems.

The buffer zone is proposed in order to overcome what people consider the environmental

problem in this proposition; that is, the problem of noise. I believe that compared to what it is today, that noise problem may be overcome to a large extent by new equipment and new ways of dealing with the issue. This clause has been included only because in the end it may be necessary. In a similar way to the member for Darling Range, I do not believe it will be necessary and I believe that the company will be able to resolve many of the issues associated with purchasing that land without any involvement by the Government. I have given the company some support by having the Valuer General conduct a valuation of the land involved and provide a copy of that valuation to the companies and the Dardanup Shire Council so that they will be sufficiently informed.

Mr Omodei: Is that unimproved land?

Mr TAYLOR: That was an unimproved value where it was appropriate. It was the value according to the zoning of the land in question. If it was rural land it was valued on that basis; if there was approval to subdivide, I assume it was valued on that basis.

The member for Darling Range raised the issue of a person who had purchased land and was looking at some sort of settlement. I am told that, for example, the original purchase price of one lot which was purchased 20 months ago was $150 000. That person's initial asking price was half a million dollars; it has now come down to $400 000. I am now told that there was a suggestion that a higher price of up to $180 000 could be offered to him. Given what has happened to land prices in Western Australia over the past year, the chance to take a purchase of $150 000 to $180 000 in the space of 20 months, even in these circumstances, is not a bad return on one's investment. That is indicative of what the company is prepared to do. It may even go higher than that, I do not know. However, I have faith in the joint venture to do the right thing by the people in that area. I feel some degree of discomfort about this clause, but it would be used in only the most extraordinary circumstances where people could not come to an agreement. Members should remember that this issue is the subject of a consultative environmental review by the EPA and the period for comment closes in the next week or two. The EPA will then deal with the buffer zone which will then be referred to the Minister for Planning and me. A number of support mechanisms are in place for the people concerned to ensure that not only do they get something fair and reasonable but also that the buffer zone will be fair and reasonable.

I understand the reasons for the member for Wellington wanting to move his amendment and although there is a temptation for me to be critical I will not be. I think the company will do the right thing.

Page put and passed.

Pages 27 to 32 put and passed.

Page 33 -

Mr DONOVAN: Clause 29(2) of the agreement seems to be a fairly generous subsidy. Presumably under that clause the company gets the first $225 000 of stamp duty free, but if the amount goes beyond that it pays. Is that correct?

Mr TAYLOR: That is correct. Stamp duty exemption clauses are not unusual in agreement Bills. In most cases in the past they have been open-ended, not for ever and a day, but in relation to putting things together. In this case, the Government has tried to determine the amount of stamp duty the company will face in putting this together to make it work and the Government believes it is in the vicinity of $225 000. We are doing that so that we know what the cost to revenue forgone will be and we have put that limit of $225 000 on it. If, in the end, it is a much higher level of duty, we know that the amount that will be lost to revenue will be $225 000.

Page put and passed.

Pages 34 to 40 put and passed.

Schedule put and passed.

Postponed clause 4: Agreement ratified and implementation authorized -

Mr BRADSHAW: I move -

Page 2, lines 7 and 8 - To delete subclauses (1) and (2) and substitute the following -

(1) The Agreement is ratified on the condition that the parties to the Agreement vary the Agreement by deleting subclause (3) of clause 18 and substituting the following -

Purchase of surrounding land

"(3) (a) Where the Minister determines that the whole or any part of the land referred to in paragraph (a) of subclause (2) and any land to which the provisions of that paragraph are extended pursuant to paragraph (b) of subclause (2) should be acquired for the purpose of providing land for a buffer to the sawmill site, the Company shall purchase that land from the owners thereof at a reasonable price to be determined by agreement between the Company and the owners and failing agreement, to be determined by a person nominated by the President of the Institute of Valuers and Land Economists (Inc), West Australian Division; and the Company shall also purchase from any owner wishing to sell, at a price to be determined in the same manner, any land within the residential subdivision known as "Padbury Fields" that falls within a 1 km radius from the boundary of the sawmill;

(b) Where the land which the Minister determines should be acquired does not include any land referred to in paragraph (b) of subclause (2), if an owner of any of that land or of any land within the residential subdivision known as "Padbury Fields" that falls within a 1 km radius from the boundary of the sawmill is desirous of selling, the Company shall purchase that land at a reasonable price to be determined as specified in paragraph (a) of this subclause."

(2) The implementation of the Agreement, varied as specified in subsection (1), is authorized.

In January of this year, the company put a submission to the Dardanup Shire Council in which it included a map outlining a one kilometre buffer zone. Obviously, it had received some advice from environmental people. The buffer zone is to be placed on the east side and at the south end of the sawmill site. The people who own the land became distraught when they woke up to find that their land had been included in a proposed buffer zone. I do not have anything against buffer zones; I think they are a great idea. The fault with this one goes back to 1978-79 when land for use as a sawmill and Padbury Fields were first approved, the two being in conflict. The decision by the department to approve both uses was wrong. The company has now asked for a one kilometre buffer zone which takes in Padbury Fields and some broad acre farming land. When the Minister made his second reading speech, an interesting map which depicted the sawmill site with two different coloured areas was included. One was a 600 metre area that missed Padbury Fields which is the subject of special rural subdivision. Another area coloured brown on the map was zoned for possible future buffer extension. Again, oddly enough, it misses Padbury Fields. The boundaries appear to be boundaries of convenience because it would obviously be quite expensive to buy land in Padbury Fields which has a lot of smallholdings.

The member for Darling Range earlier said that the upgrading of this sawmill may have very little effect on the residents. However, he may not know that currently the mill ceases its operations between 4.00 and 4.30 in the afternoon, from Monday to Friday. Under the new arrangement it will operate until midnight, possibly seven days a week. Even if it operates only from Monday to Friday there will still be a considerable amount of noise during the evening with machinery operating and trucks moving around. Regardless of whether the noise level is decreased, the level of activity will increase at night when it is most likely to adversely affect residents. The Government has said that the Kemerton industrial park is the epitome of industrial estates. However, even with the large buffer zone around that park the noise levels are a problem and they sometimes exceed the Environmental Protection

Authority's limits for the area. Recently the Kemerton industrial park plan was released. It states that broad buffer zones should be allowed for in that industrial plant and refers to mixed use buffer zones, in which are located light industrial areas. I totally disagree with the establishment of light industrial areas between the sawmill and the residences in Copplestone and Padbury Fields.

On Monday I received a letter from the Shire of Dardanup stating that the relocation of the sawmill still remains a council priority. The consultative environmental review points out that it would cost a considerable amount of money to relocate the sawmill and, unfortunately, for that reason it is not viable to do so. It states -

> The cost of sawmill relocation has been estimated at between $14.5 and $17.4 million. Relocation is not an economically viable option given these costs.

I agree with that but it is important for people to have the opportunity under the terms requested by the company in January. The letter from the shire states -

> The relocation still remains a Council priority however, if that proposal is unobtainable it is the Council's view that the proponent should be required to purchase and manage an adequate 'Buffer' between the industry and the existing and proposed Small Holding areas. The value of the land should be commensurate with its otherwise potential use.

The Shire of Dardanup believes there should be an adequate buffer. In my overenthusiasm after reading that letter, I said in an interview on a radio program that the shire supported my amendment. Today I received a fax from the shire as follows -

> My Council is concerned with recent statements by you that it is in support of your proposed amendment to the above agreement. I have been asked to clarify the situation.
>
> Council believes that the Company should be required to provide an adequate buffer for its industry but it has not at any time supported the creation of a 1km buffer. It does not believe that it has sufficient expertise to state what an adequate buffer should be but suggests that 600m may satisfy that requirement.

The shire supports my amendment to some extent but not to the extent that I indicated on the radio program. It is important that an adequate buffer zone be established. I am trying to be realistic and fair and I do not believe that landholders should expect to get an unrealistic price for their properties. Therefore, my amendment states that should the landowners and the proponents of the upgrading of the sawmill fail to reach agreement on the purchase price, the price shall be determined by a person nominated by the President of the Institute of Valuers and Land Economists (Inc), West Australian Division. I do not in any way support the proposition that people should seek unrealistic prices for their properties, and my amendment should allow both parties to be satisfied with the result of the negotiations.

I received a letter dated 16 October from Mr Denis Cullity of Wespine Industries Pty Ltd, in which he indicated that the company was trying to negotiate with landholders. However, the landholders involved in those negotiations are those in the 600 metre buffer zone, and not those in Padbury Fields or in the outer area of the proposed buffer zone. Last Friday I thought things were improving. The company acting on behalf of most of the landholders in the two buffer zones, Landuse Australia Pty Ltd, sent me a fax on Monday which stated that on Friday 30 October 1992 the company had made an offer to purchase the portion of lots 313, 315 and 318 in the blue area. He also advised by telephone that it would purchase other small parcels of land. The letter stated that the price offered was not accompanied by any valuation or any idea of how it was arrived at, and that according to the company's clients it was at the lower end of rural prices and over much of their land it would not represent the highest and best use value based on past and present town planning and zoning. It refers to the areas marked blue and brown on the map, and further states that the company feels under the circumstances that I should proceed with my amendment I certainly believe that those people should be protected and if they wish to sell their land at a reasonable price, they should have the opportunity to do so. I commend my amendment to the Committee.

Mr BLAIKIE: I support the amendment moved by the member for Wellington. I have also received a number of representations on this matter. The amendment is very reasonable, just and proper. It seeks in a simple way to allow these landholders to sell their properties under

commercial terms and conditions rather than under the resumption provisions of the Public Works Act. That is quite appropriate and the Committee should accede to that request. I compliment the member for Wellington on the very dogged and persistent way in which he has represented his electors. This matter affects the Wellington electorate, and in particular those people in the vicinity of Padbury Fields. The member for Wellington has been very persistent and fair in his endeavours, and I am certainly aware of some of the approaches that were made to him to water down his approach. I commend him for speaking out to ensure that his constituents get a fair and reasonable set of terms and conditions. Those conditions should apply also to other State agreement Acts of a different type.

In conclusion, I compliment the member for Wellington for the way in which he has represented his electorate. Secondly, I commend him for the way in which he has sought to get this project Funder way. Thirdly, I support this well considered and worthwhile amendment.

Dr ALEXANDER: I support this amendment, and will reply to some of the comments made in earlier debate. When the member for Darling Range referred to the surrounding land and buffer zone, he may have gone astray in respect of a few matters because he implied that there could be no change in the status of that land. In fact, under the draft Preston industrial park structure plan, which is circulating in the community at present, there is a proposal for a mixed use buffer around the site about which we have been talking. Perhaps that will be altered, and I hope it will be in the final analysis, because it seems all the way through that a series of unfortunate and poor planning decisions have been made which have ended up putting people in juxtaposition to a major industrial facility, and that will cause problems into the future.

It might be said - and, indeed, it is said by some - that it is the public sector's responsibility to pick that up because it was a public sector decision in the first place to rezone that land. However, let us look at that more closely. I think that the company from all accounts today will get a pretty good deal in respect of this project. It will have exclusive access to timber from the south west pine forest. It will have a large facility put in place. It will have the ability to renegotiate the agreement at any time that suits the company, with the agreement of the Minister. The company seems to be getting a pretty good run in respect of Government facilitation. I believe that while it may be reasonable to support the facility, it is also reasonable for us to expect that when the private sector gets such a good deal from the Government, it picks up the tab for the acquisition of land in the area surrounding the facility that it is expanding and promoting as an industrial area.

The argument that noise can now be controlled better than it used to be is always thrown at us. We are told that new technology will be developed, and that we need not worry about the noise because the problem will be solved. However, when the facility is built, complaints start to filter in and we find out that the technology is not as good as it was cracked up to be at the time that the facility was proposed. It is the company's responsibility to negotiate with these landowners. I believe also that the company is getting a good deal from this Bill in other respects. Therefore, it should be well within its financial capability to do that.

I understand, although the company has not told me this, that the company threatened to not go ahead with the project if this condition were put upon it. That, of course, is one of the oldest ploys in the book, and happens every time a company is asked to contribute a little bit extra to the siting of a facility in a particular location or to pick up some of the external costs of its expansion, which these certainly are. In other words, the company may impose new disturbances on people in the surrounding area. Therefore, the company has a responsibility to negotiate with those landowners, as it is already starting to do. If we leave it to fall back to the Public Works Act, there is no doubt in my mind that some landowners will in the end be disadvantaged.

I understand that the Government needs to get this agreement Bill through this year, but in some respects the Bill has been brought into the Parliament prematurely. The CER which has been referred to on many occasions has not been completed. The Preston industrial park plan has not been completed. Therefore, in a sense we are being asked to sign a blank cheque and to say, "Well, all of these problems will be sorted out afterwards." I believe this amendment will give the Parliament one cheque that is not blank in respect of that process; therefore, it should be supported.

Mr DONOVAN: I have listened carefully to the arguments and to the Minister's response in respect of the application of clause 18 of the schedule. The Minister's belief that it is more than likely that it will not have to be applied in most cases is, for me, precisely what weakens the argument for its continued occupation in the Bill. Indeed, I take the opposite view; namely, that the arbiter provided within the amendment moved by the member for Wellington should solve most problems, and if there is still a problem down the track, there is nothing to stop the proponents, as the member for Perth said, from renegotiating this agreement and from coming back to the Government at that point and attempting to resolve any residual problem. I do not believe we should simply give them the means to avoid that process when in fact the belief seems to be that it will not have to be applied in most cases. Therefore, I support the amendment.

Mr TAYLOR: The Government will not support the amendment, for a number of reasons, one of which is that the joint venturers will not support any amendment to the agreement of this nature, and we are not inclined to support an amendment to the agreement; so in that sense if either one or both parties will not support an amendment to the agreement, it essentially would abrogate the agreement in totality were the Chamber to pass this agreement. Secondly, despite what members have said, I am convinced that the right thing will be done. I recognise that the member for Wellington feels quite strongly about the issue, but I say to him that people would also say to me that Wespine's position in respect of the buffer zone has been misrepresented, and it has said to me that that is one of the issues which it considers important. The company stated in a letter - which is many months old - that in its submission, in response to an invitation from the shire, it stated that -

> In giving consideration to an appropriate "buffer zone" or "area of influence" in which residential development should be prohibited, we have undertaken some research, read various reports and discussed the matter with a number of experts in the field, including officers from the Environmental Protection Authority ... EPA has no standard buffer area for various industrial uses, preferring to evaluate each situation according to the particular circumstance. They suggested for this particular activity a 1 kilometre buffer would be appropriate.

That is how the issue of the one kilometre buffer zone came about. If people read the CER, they will know that that was just a suggestion based purely on what might be possible and necessary. The letter continues -

> The "1 kilometre buffer zone" which is now being used by Mr Bradshaw and others to argue the need for an amendment to the State Agreement has no scientific basis.

I agree with what Wespine is saying. There is no scientific basis for saying that it must be a one kilometre buffer zone because this will be a sawmill of a certain size with a certain type of equipment. It is quite possible that a smaller buffer zone than is suggested in the agreement Bill will be adequate for this sawmill. The company makes the point also that in the absence of and prior to the noise level impact assessment study which was undertaken by Herring Storer Acoustics, the company was then in a position of trying to determine what would be reasonable in respect of the buffer zone. I agree with it. The proposition will be part of this agreement legislation. It also says that it was always understood that the noise was the only environmental impact aspect of the proposal, and that engineering design would ensure minimum impact on the local residents and compliance with the EPA requirements.

The joint venturers believe the amendment before the House is unnecessary, and will lock them into a financial unknown quantity; they will be entering an open-ended investment if the amendment is passed, which is not an appropriate way to get a project off the ground.

I have said on many occasions - members have agreed or disagreed with me - that I am sure that Cullity's, Bunnings and the Wesfi joint venturers will be able to resolve the issue of the purchase of land without resorting to the resumption provision of the legislation. This is not an unusual resumption provision as it is found in other legislation with which people have dealt in the past. Importantly, we are dealing with reputable people running reputable companies.

However, if people in this area expect a windfall profit through the purchase of land, they will be disappointed. They will receive what can best be described as a fair and reasonable price. I do not know whether the Leader of the National Party was here when I read out

information earlier. I am told that in most circumstances negotiations are progressing. Apparently one person represents the people in the blue zone, and that person states that people of that area are not prepared to negotiate. They are crossing their fingers hoping that Parliament will give them a stronger negotiating position - I hope that that will not be the case.

The joint venture is offering a fairly reasonable per hectare price. Those concerned have asked me not to release the figures, but I am happy to let members read them. They say the information is commercially sensitive. They also say that the Opposition was provided with the information.

Mr Cowan: I certainly wasn't.

Mr TAYLOR: I will provide a copy.

Mr Cowan: However, I have not asked for it.

Mr TAYLOR: Has the Opposition received the figures?

Mr Bradshaw: Not to my knowledge.

Mr TAYLOR: I am sure that if the Opposition approaches Wesfi, the company will be more than happy to provide the information on a commercially confidential basis - it does not want to play its hand at this stage of negotiations. Nevertheless, they appear to be reasonable prices, and the Valuer General was the starting point in assessing this issue.

The Government opposes the amendment as it will abrogate the contents of the agreement as a whole. Undoubtedly, if the amendment is passed it will stop the project from proceeding.

Mr BRADSHAW: I am disappointed that the amendment will not be supported because the people of the area have genuine concerns. In drafting the amendment I attempted to be fair.

Last Saturday I went doorknocking in Padbury Fields. Only two houses were unoccupied, and I have since telephoned the occupants of one of those. The people I spoke to certainly have problems with the current noise levels: One woman indicated that if she had known what the noise levels were like, she would not have built there. She had lived in the area for only a few months. People should be able to expect to build within an approved residential area and expect tranquil surroundings. I realise that to a certain extent people become used to noise as my parents have lived on a main road which did not worry them; however, whenever I stayed there I could not sleep.

I am disappointed that the amendment will not be passed as indicated by the member for Darling Range and the Government. If the amendment is not passed, wrong will be done. I attempted to be fair to both parties in this amendment with the land values issue. I support no-one who wishes to up the ante and make a killing from the proposal.

Division

Amendment put and a division taken with the following result -

		Ayes (19)	
Dr Alexander	Mr Donovan	Mr Nicholls	Mr Fred Tubby
Mr C.J. Barnett	Mrs Edwardes	Mr Omodei	Dr Turnbull
Mr Blaikie	Mr Grayden	Mr Shave	Mr Wiese
Mr Court	Mr Kierath	Mr Strickland	Mr Bradshaw *(Teller)*
Mr Cowan	Mr Lewis	Mr Trenorden	
		Noes (21)	
Mr Michael Barnett	Dr Gallop	Mr Read	Mr Thompson
Mrs Beggs	Mr Grill	Mr Riebeling	Dr Watson
Mr Catania	Mrs Henderson	Mr Ripper	Mrs Watkins *(Teller)*
Dr Constable	Mr Kobelke	Mr D.L. Smith	
Mr Cunningham	Mr Marlborough	Mr P.J. Smith	
Dr Edwards	Mr Pearce	Mr Taylor	

Pairs

Mr McNee	Mr Graham
Mr Minson	Mr Wilson
Mr Ainsworth	Mr Leahy
Mr Watt	Mr McGinty
Mr House	Mr Troy
Mr MacKinnon	Dr Lawrence
Mr Bloffwitch	Mr Gordon Hill
Mr Clarko	Mr Bridge

Amendment thus negatived.

Clause put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Leave granted to proceed forthwith to the third reading.

MR TAYLOR (Kalgoorlie - Minister for State Development) [5.41 pm]: I move -

That the Bill be now read a third time.

MR BRADSHAW (Wellington) [5.42 pm]: I totally support this project, even though I have been criticised for trying to stop the development in my efforts to stand up for the people in my electorate who will be affected by it. It will be good for the south west. I wrote to my constituents in that part of the electorate earlier, indicating my support for the proposal and that I would not necessarily push to have the sawmill relocated if that were to be unviable for the company. It is unfortunate that some protections were not able to be put in place for those people. The sooner the project proceeds, the better. It is disappointing that the Government did not get its act together earlier by bringing the Bill before the House sooner.

MR BLAIKIE (Vasse) [5.43 pm]: I support the proposal but I am disappointed that the Government has not paid heed to some of the matters I raised during the debate. The project is very important to the south west. However, it must be clearly understood that it will provide a consortium with a 40 year contract to harvest the State's pine log resource. The contract contains no price commitment for what will be paid over that 40 years, apart from an airy fairy comment by the Minister for State Development that it would be considered in due course. That is not good enough. I repeat: Only one person will determine that price in due course; that is, the Executive Director of the Department of Conservation and Land Management. He will not have recourse to a single elected person, including a Minister. That is wrong and I have spoken very strongly against that during the debate.

Finally, the member for Wellington moved a very important and reasonable amendment to satisfy the landowners. Although it may well have been hallmark legislation, it was important and I was appalled to see two Independent members oppose it. Although I can understand people being caucused into voting that way, I am quite surprised those two Independent members voted as they did.

Mr Taylor: They are allowed to make up their minds, like anyone else.

Mr BLAIKIE: I am making a speech and I am entitled to make these comments. Irrespective of whether they are Independent members, they should understand that the community would have expected them to have a full understanding of this legislation. In fact, the rights of people in that area will be eroded by it. It is reasonable that they are able to vote as they wish, but at the same time it is appropriate for me to make my comments. Unlike Government members who are caucused, one would expect Independent members to act more independently than they have done. They will be judged for their actions. The weight of their vote will bring about the erosion of the rights of individual people affected by thgis agreement.

MR THOMPSON (Darling Range) [5.46 pm]: With reluctance I say to the member for

Vasse that that is a lot of tripe. The Independents did more study on this issue than the majority of people on the Opposition benches; I am not criticising them -

Mr Lewis: What about those on the Government benches.

Mr THOMPSON: And more than the members on the Government benches. I thank my colleague who has just interjected. No-one in this Parliament has made a more detailed study and analysis of this issue than the Independents. It was always known it would be a controversial issue. We have taken the trouble to meet with landowners and company representatives. People have written to me at home on a regular basis expressing their views and I have taken them into account, as have my colleagues. The member for Vasse was critical of two Independent members, not of four. He is not critical of the other two because they saw the matter his way. I can tell the member for Vasse and anyone else in this House and in the community that, as long as I have political breath in my body, I will vote as I think appropriate. I am not bound to adhere to the decisions of the party. When the vote was taken today, only four members in this House voted in accordance with their philosophical beliefs; they were the member for Perth, the member for Morley, the member for Floreat and I.

Mr Taylor: I did.

Mrs Beggs: So did I.

Mr THOMPSON: When the matter is boiled down to the basic philosophical point of view it is a situation of capital versus labour. The member for Floreat and I stood for the natural constituency of the Liberal Party; we are doing that regularly. It is the Liberal members who have turned their backs on their natural constituency.

Mr Blaikie interjected.

Mr THOMPSON: When the Neerabup legislation and a few others are introduced the member for Vasse will find a little heat turned up from his natural constituency. They have come to understand that the Liberal Party, which left me - I did not leave it - has deserted its natural constituency.

MR OMODEI (Warren) [5.48 pm]: I represent the farming area and while I have breath in my body I will defend those people's rights. I also have a close affinity with the timber industry because I live among the people involved. There is no reason that a compromise on this issue could not have been reached with all parties located in the area.

There is a question mark about a single body having access to a vast quantity of a State resource. Those two companies are being criticised at the moment. This issue should be beyond reproach. We should make sure that all issues are addressed in a proper way. I am still not satisfied that the Minister and the Government have given a firm commitment to local government about roads and road maintenance. We have heard a lot of rhetoric, but when it comes to putting something on paper for the local government authorities in this State, nothing happens. I did not see many Government members at the meeting I had with the shire councils association, but members of the National Party and the Liberal Party were there.

Mr Blaikie: I was there.

Mr OMODEI: The issue is a complex one. If we are unable to adopt a road user charge, funding can only be provided from the Grants Commission or through a specific allocation from the State Government. Nothing has been forthcoming from this Minister in any of the debates I have taken part in. Let us not talk about philosophy. This project is worth while and all it needs is a little commonsense to make it work.

Question put and passed.

Bill read a third time and transmitted to the Council.

House adjourned at 5.52 pm

QUESTIONS ON NOTICE

BURKE, MR TERRY - ZHEJIANG PROVINCE PARLIAMENTARY DELEGATION TRIP
Proper Authorisation - Cost

1069. Mr COURT to the Premier:

(1) Was the recent visit to China by Mr Terry Burke as a part of a Parliamentary delegation to the Zhejiang Province properly authorised by both the Government and the overseas relations committee?

(2) What was the total cost to the taxpayers for Mr Burke's visit?

Dr LAWRENCE replied:

(1) The recent visit to China of the Chairman of the ORC, Mr Terry Burke, was approved by the responsible Minister. Approval of the committee was not required.

(2) Travel costs were the same as other members of the all party delegation.

OMBUDSMAN - BACKLOG OF WORK

1075. Mr COURT to the Premier:

(1) Does the Parliamentary Commissioner for Administrative Investigations have a backlog of work?

(2) If so -

(a) how many cases is it estimated are in this backlog;

(b) what is the estimated time span of this backlog;

(c) how many extra staff is it estimated would be required to remove the backlog;

(d) at what cost is it estimated the backlog could be caught up with?

Dr LAWRENCE replied:

(1)-(2)

As at 31 August the Parliamentary Commissioner had 993 complaints. A total of 628 complaints were other than the average turnaround time of 12 weeks. Three additional staff over two years at a cost of $206 232 per annum, might clear all these complaints.

INTO ASIA BUSINESS COUNCIL - MEMBERSHIP

1402. Mr MacKINNON to the Premier:

(1) Who are the members of the Into Asia Business Council?

(2) What are the terms of reference for the council?

(3) What is the amount the Government had budgeted to support the council during the year ending 30 June 1993?

Dr LAWRENCE replied:

(1) I announced on 5 October 1992 that Mr Harold Clough had accepted my invitation to chair the Into Asia Business Council. Other members are Mr Simon Lee, Executive Chairman of Samantha Gold NL; Mr Dick Carter, Group General Manager of BHP Iron Ore Ltd; Mr Ken Court, Chairman of Hawkins Court Ltd; Ms Georgina Carnegie, Managing Director of Market Intelligence Pty Ltd; Mr Iwan Susanto, Managing Director of Ozindo Centre Pty Ltd.

(2) The objective of the council will be to lift Western Australia's market performance in near Asian markets. The council will -

provide advice to the Premier and the Government on opportunities to develop business activities;

provide a conduit for a transfer of information between the business sector and the Government;

identify practical methods of promoting successful WA businesses in the region;

identify and recommend ways to reduce constraints to WA business expansion in the region;

encourage research and development in the business community relevant to the near Asia market;

encourage a greater understanding of the cultural aspects of near Asian trade; and

determine the desirability of establishing an independent research and policy institution concentrating on political aspects of business links with near Asian neighbours.

(3) The council will be sustained by a reallocation of resources until the end of this financial year.

VOLUNTARY UNIONISM - SWAN BREWERY SITE

1431. Mr COWAN to the Minister for Productivity and Labour Relations:

(1) Is the Minister satisfied that voluntary unionism exists on the Old Swan Brewery redevelopment site?

(2) If not, what steps has she taken or will the Minister take to uphold the law that outlaws closed shops in Western Australia?

Mrs HENDERSON replied:

(1)-(2)

No specific query has been raised with me in respect of voluntary unionism at the old Swan Brewery site, though on the broader issue of preference to unions the Government believes that the current provisions of the Industrial Relations Act are inadequate and do not assist the industrial parties in this State in addressing the issue of disputes relating to union/non-union membership. Therefore, an independent inquiry is to be conducted by a senior and widely respected industrial relations practitioner, the former Chief Commissioner of the Western Australian Industrial Relations Commission, Mr Bruce Collier.

SUPERANNUATION - GOVERNMENT SCHEME 1938
Pension Increases, Since January 1991

1445. Mr MacKINNON to the Minister Assisting the Treasurer:

Under the Government's superannuation scheme, what increases in pensioner payments have been provided to beneficiaries under the 1938 superannuation scheme since January 1991?

Dr GALLOP replied:

Pensions were increased by 3.28 per cent in April 1991. Subsequently there have been no further increases. Pensions are adjusted on a six monthly basis according to the percentage increase in the consumer price index. Perth figures for the six month periods ending 31 December and 30 June each year. The increases are payable from the first pay period in April and October respectively. However, where the index figure is less than the figure of the preceding period, no adjustment is made and the percentage by which it is less is to be first taken into account before making a subsequent adjustment.

During the six monthly periods ending 30 June 1991, 31 December 1991 and 30 June 1992, the CPI changes were 1.07 per cent, +0.94 per cent and -0.47 per cent respectively. As a consequence, no pension adjustments have been made and future adjustments will take into account previous net percentage decreases.

RATES PROPERTY - SMALL LANDHOLDERS INCREASES
Valuer General's Office Revaluations

1461. Mr COURT to the Treasurer:

(1) Has there been a change in rate charges within some country shires which has resulted in small landholders facing large increases (up to 300 per cent in some cases) in their latest rate notices?

(2) Has this change come about because of recent revaluations by the Valuer General's office which has increased the value of small landholders and decreased value of large landholders?

(3) If so, and at a time when so many of the small landholders are struggling to survive in a time of economic hardship and stagnant land values, what are the reasons for such revaluations?

Dr LAWRENCE replied:

(1) Each local government has the responsibility to adopt a rate which will raise funds which are necessary to serve its community. There is no legislative power which would enable the Government to intervene in this function or to limit increases. Clearly the adoption of new values can lead to a change in rating relativities. However, I am not aware of the impact new valuations had on particular ratepayers.

(2) The rating system is based on valuations obtained from the Valuer General. Valuations are carried out in accordance with the Valuation of Land Act to ensure that the values are correct, up to date and in line with market values.

(3) There is a need to review values on a regular basis to ensure that they are maintained at levels which accurately reflect the values of properties, thereby providing an equitable rating base.

MINISTER FOR EMPLOYMENT; TRADE AND INVESTMENT - HONG KONG VISIT

1471. Mr COURT to the Minister for Trade and Investment:

(1) Has the Minister assisting the Minister for Employment; Trade and Investment travelled to Hong Kong recently?

(2) If yes -

(a) was the Minister's visit to Hong Kong to promote the Into Asia - Conference;

(b) did the Minister meet with former Deputy Premier David Parker on this visit;

(c) if so, what for?

Dr LAWRENCE replied:

(1) Yes.

(2) (a) The Minister's visit was for the purpose of promoting the Into Asia Convention, launching the Into Asia trade strategy in Hong Kong and to meet with potential investors in Western Australia.

(b) No.

(c) Not applicable.

QUESTIONS WITHOUT NOTICE

COX, WALLY - PROPOSED PUBLIC SERVICE COMMISSION APPOINTMENT WITH VIEW TO REPLACING MICHAEL WOOD

425. Mr COURT to the Premier:

Is it proposed that Dr Wally Cox, the current Chief Executive Officer of the

Western Australian Water Authority, be appointed to a senior position within the Public Service Commission with a view to replacing the current head of the Public Service Commission, Dr Michael Wood?

Dr LAWRENCE replied:

It is news to me.

CLINTON, MR BILL, PRESIDENT OF THE UNITED STATES - SIGNIFICANCE OF ECONOMIC RATIONALISM

426. Mr CUNNINGHAM to the Premier:

What is the significance for so-called economic rationalism in the landslide election of Bill Clinton as President of the United States?

The SPEAKER: Order! Is the Premier aware of the close working relationship between the member for Marangaroo and Bill Clinton?

Dr LAWRENCE replied:

I am, Mr Speaker. I was about to make reference to it. During a recent parliamentary tour the member for Marangaroo not only met the President-elect of the United States but he was photographed with him, a photograph which has been circulated widely within the member's electorate.

I would like to congratulate Mr Clinton on his massive victory. There are important lessons in it for Australia and Western Australia, particularly since the United States like the rest of the world has been in the grip of a recession with high levels of unemployment and other economic factors that have clearly divided that society. The people in the United States had clearly had enough of policies that had derived from the Reagan-Bush attitude to economics, the slash and burn Margaret Thatcher derived economic rationalist position.

The consequences of those policies for American society were very obvious and those people have spoken very loudly. I should not need to underline that the policies of Reagan, Bush, Thatcher and Major, among others, form the basis of policies that are espoused by the Liberal Party of Australia. It may not suit members opposite to have it said, but their attitude towards money supply questions, fiscal policy, industrial relations, and a whole range of other matters bears a striking resemblance to the American policies. At various times members opposite have lauded those American policy makers who have inflicted damage in the international arena.

The most unfortunate Fightback, "Fightback Junior" and Jobsback policies, and the waffle industrial relations policy in Western Australia all disguise a very deliberate attempt to shift the tax burden from business to ordinary householders to ensure a very significant redistribution of income from the poor to the rich and an economy in this country which would see a repetition of the social conditions that have caused the people of the United States to throw out the economic rationalists.

Although members opposite may not want to hear it, they should have a look at their goods and services tax, their industrial relations policy and their announcements on other issues relating to the state of the economy, and speculate about whether they might have a lesson or two for them. If they do not do that, they will certainly not be in a position to convince the people of Western Australia, who can already see the deficiencies in the position. As we can see it unravelling - I think that is the right word - in Victoria, the people of Western Australia can see only too starkly what is in store for them if ever they vote for the Opposition.

NOISE LEVELS - IN WORK PLACES, CHANGES

427. Mr WIESE to the Minister for Productivity and Labour Relations:

(1) Is it the Minister's intention to amend the existing noise levels in the work

place from the existing action level of 90 decibels to a new action level of 85 decibels?

(2) If yes, when will the change be introduced?

(3) Is the Minister aware of the financial effect of such a change on industry in Western Australia?

(4) What will be the cost of the change for Western Australian industry?

Mrs HENDERSON replied:

(1)-(4)

I am amazed to receive a question such as this because the change in the action level for noise levels was publicly announced two months ago and is already in place. I announced that the Government would take up the national standard for the protection of hearing in the work place, which is 85 decibels average exposure. That does not mean that people cannot be exposed to more than 85 decibels, but the average exposure for the working day must not exceed 85 decibels. That national standard was established by Worksafe Australia after comprehensive investigations of the damage to hearing. The difference between 85 decibels and 90 decibels is a fourfold increase in industrial deafness. Therefore, this move will make a major difference to those people who suffer industrial deafness as a result of exposure to excessive noise at work.

SELECT COMMITTEE ON YOUTH AFFAIRS - FINAL REPORT RECOMMENDATIONS

Ministers' Response Failure

428. Mr STRICKLAND to the Premier:

With respect to the final report of the Select Committee on Youth Affairs, which was presented to Parliament on 4 June 1992 with a direction to relevant Ministers that under Standing Order 378(c) the Ministers for Community Development, The Family and Disability Services; Police, Sport and Recreation; Health; Education and Training; Employment; Housing; Aboriginal Affairs and the Attorney General would be required within not more than three months to report to the House about the action, if any, proposed to be taken by the Government on the recommendations of the committee -

(1) What action will the Premier take to address the failure of those Ministers who have neglected to comply with this requirement of the Parliament given that five months have gone by and the response is now overdue by two months?

(2) Will the Premier give a commitment to the Parliament that she will require the Ministers to respond before Parliament rises? If not, why not?

Dr LAWRENCE replied:

(1)-(2)

I can only assume that the member for Scarborough is a bit short of policy ideas that he should be so concerned about this matter.

Several members interjected.

Dr LAWRENCE: Members opposite are all a bit sensitive. It is important. I know that the responsible Minister, who is sitting beside me -

Mr Court: Are you sure you are pointing to the right Minister?

Dr LAWRENCE: Yes; the Minister for Community Development has the principal carriage of this matter. After all, it is called youth affairs. He informed me that during the Estimates debate he indicated that it would be ready in time to be presented to the Parliament in this sitting. As the member indicated in his question, a great many departments are involved. It is not so much the

Ministers, although I will get them to give the departments a hurry along. Departments will be asked to reply in a considered way to the material of that report. As members would be aware, a large number of reports come through the Parliament through other agencies which require like responses. I will certainly undertake to ensure that it comes before the Parliament before its rising and that members have an opportunity to examine the departmental responses. However, the Opposition members should also be aware that very considerable work has already been done and announcements have been made by various Ministers on the basis of some of the excellent work done as part of that report's procedures. There have already been announcements by the Ministers for Community Development, Youth Justice, and Education, for example, which are clearly in line with the recommendations and a general observations of that report. The member should take note of that as well. We will certainly undertake to make sure that the report is brought to the Parliament before it rises.

PULP AND PAPER MILL PROPOSAL - CONSERVATION COUNCIL OPPOSITION

429. Mr KOBELKE to the Minister for State Development:

(1) Did the Minister for State Development hear a news report on ABC Radio on 3 November which quoted a spokesperson for the Conservation Council as saying the Conservation Council opposed the establishment of a pulp and paper mill in Western Australia?

(2) Further, did the Minister hear a news report on the same radio station on 5 November in which the President of the Conservation Council, Dr Schultz, expressed strong opposition to the State agreement Bill which has been proposed to enable the establishment of an internationally competitive softwood sawmill at Dardanup?

Dr Alexander: A bit of green bashing.

Mr TAYLOR replied:

No, a bit of Liberal Party bashing.

(1)-(2)

I did hear both comments. I spent a considerable amount of my parliamentary time this morning debating the first matter raised by the member. It is an issue of major significance. It concerns me more than a little that the Opposition, despite its suggestion time after time that it supports this proposal, is doing its darnedest to ensure that it goes slow. That sawmill receives logs from the softwood plantation timber and, if it expands as I expect, will generate a significant demand for tree planting in Western Australia, particularly on cleared agricultural land where there will be major environmental benefits.

Mr Omodei: It will be done on public land.

Mr TAYLOR: Some on private land and some on public land.

Mr Omodei: The vast majority will be on public land.

Mr TAYLOR: Yes, the vast majority will be on public land. However, as the mill expands, undoubtedly there will be a demand for more pine saw logs and that demand will be met from an expansion of the current planting activities. It is ironic that, if the Dardanup agreement is not passed in this House and the expansion of the sawmill does not take place, the demand for timber in Western Australia will continue to increase because it is required for homes and elsewhere in Western Australia. One of the problems will be that if we do not meet that demand here, it will be met from tropical rainforests, the management of which we do not have any control over.

The comments made by the Conservation Council on the pulp mill are hypocritical. Members know that the Conservation Council has been opposing the export of woodchips from Western Australia. However, this

proposal will generate a large number of new jobs in the south west and also make a major contribution to reducing our current account deficit. Some of the raw material to feed the pulp mill will come from residue of native forest operations, but it will generate a significant demand for wood from plantations grown on cleared agricultural land. One aspect of that cleared agricultural land is a major environmental problem faced by this State. Undoubtedly, the pulp mill providing support for those tree plantations will make a major contribution to solving those environmental problems and it will make a significant contribution to meeting the needs for paper and the like that we are all bombarded with on a daily basis. I do not see a need for us to continue importing that into Western Australia when we can do the job ourselves as well. It is high time that not only the Conservation Council, but also particularly the Opposition got off their backsides and supported developments in this State such as the Dardanup agreement and the Port Kennedy agreement.

TRAINING COLLEGE FOR POLITICIANS - ESTABLISHMENT PLANS

430. Mr READ to the Premier:

Does the Government plan to establish a training college for politicians?

Dr LAWRENCE replied:

I noticed with mild interest that the Leader of the Opposition -

Mr Court: You needed one last night.

Several members interjected.

Dr LAWRENCE: Come in spinner! That is exactly the point I wanted to make about the Opposition.

I had noticed with some mild interest the proposition that there should be training for politicians in a statement made by the Leader of the Opposition. If we ever needed a demonstration that the Opposition needs such training, we had it last night.

Several members interjected.

Dr LAWRENCE: It was most extraordinary behaviour by members opposite in this House last night which showed that they do not have the faintest idea about parliamentary procedure, protocol and precedents. The Opposition has been trying to suggest in the media today that it was the Government's fault but it was not prepared to lay out the argument in order that a member could reply to it, then all shouting when the motion was put and moving for a division forthwith. Suddenly, it is someone else's fault that the Opposition got it wrong after a 23 minute debate.

Several members interjected.

The SPEAKER: Order!

Dr LAWRENCE: In that time nothing was said on which the member for Eyre could have based a reasonable defence.

Several members interjected.

The SPEAKER: Order! If members do not come to order I will cancel question time.

Dr LAWRENCE: It is clear there was some to-ing and fro-ing by the Opposition with a member on the right of the member for Applecross telling him to sit down as he was bobbing up and down in his place to attempt to prevent the member from getting a decent hearing.

I suggest that part of a training program - on a serious note I suspect one is needed - for members of Parliament should include a proper reading of Standing Orders and a proper understanding of the precedents and protocols, particularly with censure motions. There should be some indication from

members opposite that they are prepared to follow the precedents and conventions of this Parliament rather than engage in the sort of farce that they engaged in last night. It may suit the Leader of the Opposition and other members opposite to run around today trying to get out of it.

Several members interjected.

The SPEAKER: Order!

Dr LAWRENCE: However, there were enough members in this House last night when the vote was taken and they have a very clear picture of what occurred. It does show the need for a training program starting, as a matter of urgency, with members of the Opposition.

Several members interjected.

The SPEAKER: Order! I am not impressed with members not coming to order when I call order. I will give members one more chance.

MIDLAND SALEYARDS - REMAINING OPERATIONAL COMMITMENT
New Saleyard North of Midland, Government Agreement

431. Mr OMODEI to the Minister for Small Business:

(1) Does the Minister agree with moves by the State Government to build a new saleyard north of Midland?

(2) If yes, what will the effect be on the Midland small business community?

(3) How does the Minister reconcile himself with this move as the local member for that area?

(4) Has the Minister given a commitment to the people of Midland that the Midland saleyards will remain operational?

Mr GORDON HILL replied:

(1) Yes.

(2)-(4)

If there is any impact on small business in the Midland area it will be negligible. We will have the most modern saleyard in Australia located just north of Midland and its close proximity to the Midland townsite will benefit small business, including the farming and pastoral sector.

Mr Omodei: Have you given a commitment to the people of Midland that the Midland saleyards will remain operational?

Mr GORDON HILL: A saleyard will operate within the Midland region and the Minister for Agriculture has ably expressed that.

INDUSTRIAL RELATIONS COMMISSION - ABOLITION, VICTORIAN GOVERNMENT PROPOSAL

432. Mr CATANIA to the Minister for Productivity and Labour Relations:

Is the Minister aware of Victorian legislation which will abolish the Industrial Relations Commission and what the implications are for Western Australian workers from the body proposed to be established in its place?

Mrs HENDERSON replied:

That is one of the problems members opposite have with their colleagues in Victoria. When a Liberal Government, as the Victorian Government is, plans to reduce wages, put everybody on individual contracts and abolish the award system, it presents a minor problem if there is a pre-existing umpire in the form of the Industrial Relations Commission which is widely respected in the community and which has provisions that allow for an element of fairness. The Victorian Government has proposed, with a stroke of the pen and without further consultation, to abolish the Industrial Relations Commission and to introduce a new body which will have greatly reduced powers. If we look at the body proposed to replace the Industrial Relations Commission we start to

see the nature of the fraud perpetrated by this policy. The proposed new body would not be able to deal with any matter unless both the employer and the employee agreed that the matter be referred to it. Therefore, if an individual contracted to work for wages at $8 an hour and the employer decided to pay only $4 an hour, the employee could not take the matter to the new body unless the employer agreed to that course of action. That is the crux of this whole issue. The new body will have no power and no capacity to provide protection for people under the new system, and that is precisely why the existing Industrial Relations Commission is to be abolished in Victoria. It is about time the Liberal Party in Western Australia came clean on this matter and explained to the public exactly what its plans are.

Mr Kierath: We have.

Mrs HENDERSON: I was very interested to note that when the Opposition announced its policy it gave no detail about these matters: The Industrial Relations Commission, the future position of the umpire, and what would happen to people who were unfairly dismissed or not paid wage rates in accordance with their contracts. The Opposition plans to do exactly what its Victorian colleagues are doing - abolish the umpire.

CRIME (SERIOUS AND REPEAT OFFENDERS) SENTENCING ACT - REVIEW, SECOND REPORT

Crime Figures, Minister's Agreement; Redundant Legislation

433. Mr DONOVAN to the Minister for Justice:

I refer to the Minister's tabling this week of the second report of the review of the Crime (Serious and Repeat Offenders) Sentencing Act 1992. I ask the Minister -

(1) Does the Minister agree that the figures cited in his report indicate either -

(a) a steady decline in stolen motor vehicles, with a substantial trough at the time of the legislation followed by a return to normal patterns;

(b) no significant change overall over the past two years; or

(c) in view of the comments in this morning's Press, that the media should run regular advertisements promoting his Act?

(2) Does the Minister agree that his Act has now become redundant against the more successful program oversighted by his colleague, the Minister for Community Development?

(3) If so, consistent with Government policy on redundant legislation, will he now move to have the Act repealed?

Mr D.L. SMITH replied:

(1)-(3)

I thank the member for Morley for that question because it gives me an opportunity to highlight some of the figures contained in the report tabled during the week. Firstly, a comparison between the number of motor vehicles stolen in Western Australia in the first nine months of 1991 and the number stolen in the first nine months of 1992 indicates a reduction of 3 143, from 14 124 to 10 981. Therefore, 3 143 families in Western Australia did not wake up one morning to find that their car had been stolen. That was a reduction of the order of 22.25 per cent. I find it passing strange that the matter of public importance we will be discussing after question time today causes great mirth to members opposite, who do not regard the crime issue seriously. Members opposite are not prepared to congratulate the Government on a reduction of 22.25 per cent in the number of motor vehicles stolen this year.

I turn to breaking and entering.

Mr MacKinnon: Awake or asleep?

Mr D.L. SMITH: These figures should be of interest to the member for Jandakot and his constituents. This figure has reduced from 32 000 to 28 000, so 4 000 fewer homes were broken into in metropolitan Perth over the past nine months. Whatever people may try to argue, the fact is that the publicity associated with this legislation was prominent in January of this year. The comparative period is January to September this year and last year. We also know from the number of police reports filed, which will be available later this week, that the actual overall crime rate increase in the period to 30 June 1992 was the lowest for some years. People opposite may laugh -

Mr Court: Did you say the increase was the lowest?

Mr D.L. SMITH: Yes. The increased crime level was 2.2 per cent from 30 June -

Mr Court: Serious assaults were up by 30 per cent!

Mr D.L. SMITH: We will go through these figures when debating the Leader of the Opposition's matter of public importance this afternoon. What should be highlighted is the fact that despite the Opposition's protestations the only source of evidence to which one can go to ascertain the impact of this legislation is the direct comparison between the period since the legislation was announced in January and the same period last year. Despite what anybody may say, the impact of the legislation has been to substantially reduce the level of crime in those three important areas, especially that associated with juvenile crime. It is also noteworthy that although the indeterminate sentence provisions of the legislation have not been implemented, the average stay of juvenile offenders in institutions over the past 12 months it has increased from something like 68 days to 90 days; that is, an increase of nearly 30 per cent. That is a direct result of the tough legislation which has changed the sentencing principles and the heavier penalties being imposed under legislation generally.

While members opposite take glee in increasing unemployment and crime figures, we on this side of the House are at least doing something about this problem; so whether it is due to the work of the Minister for Community Development and his department, the Minister for Corrective Services, the courts, or the legislation, everybody in this place should welcome the reduction in the level of crime that has occurred over the past nine months. We should be directing our resources to those remaining areas where there appears to be some increase. Those are the matters we will be discussing at greater length in the MPI after question time.

AUDITOR GENERAL'S REPORT - "MANAGEMENT OF THE RECRUITMENT AND SELECTION PROCESS IN THE PUBLIC SECTOR"

Country Staffing Problems

434. Mr HOUSE to the Premier:

(1) Does the Premier support the findings of the Auditor General in his "Management of the Recruitment and Selection Process in the Public Sector" report tabled this week that there is a significant problem in attracting and maintaining Government staff in country areas?

(2) If yes, will the Premier undertake to support the Auditor General's conclusion requiring the Government to implement the recommendations of the "Regionalisation of Government Services" report in order to overcome the serious country staffing problems of the public sector?

Dr LAWRENCE replied:

(1)-(2)

Everyone in this House who either represents a country electorate or has had cause to listen to the issues that they face, would agree that one of them is keeping public servants, particularly teachers, police and others, in country towns for sufficiently long periods so that they can give a comprehensive

service and contribute substantially. I agree there is a problem and that is why well in advance of the report coming down the Public Service Commission has embarked on a program, using for a start some of the material that has been developed within the Ministry of Education, to develop ways and means to ensure greater continuity of people in country service and a greater level of experience. We are quite far advanced with that, and I undertake to inform the House as the program develops because it probably will not be across the board initially but rather identifying areas of greater need. I have mentioned teachers and police as priority targets, and then we will gradually spread to other agencies because the problems vary between each department and agency. It is important that we build on the incentives which are already available but which are clearly not sufficiently addressing the problem. I regard it as a serious one, and we have already taken action.

Mr Court: Mr Speaker -

The SPEAKER: I will do a deal with the Leader of the Opposition. We should have about 12 questions in half an hour. We have heard 11. One of the reasons there have been only 11 questions and not 12 is because of the raucous behaviour of some members in the general vicinity of where I am looking. That is only one reason. The other is that at least one of the answers was fairly lengthy. We should all work together to have about 12 questions during question time. That is not an unreasonable suggestion; so even though we are out of time, if the Leader of the Opposition agrees to cooperate with me during future question times -

Mr Court: We will stick to 12 questions.

The SPEAKER: Fine.

MEMBER FOR EYRE - COMMENTS ON ROYAL COMMISSIONERS

435. Mr COURT to the Premier:

(1) Does the Premier agree with the member for Eyre's comments that the Royal Commissioners did not act independently or honestly?

(2) If not, why has she taken no action to discipline the member for Eyre?

(3) Will the Premier be offering an apology to the Royal Commissioners on behalf of her Government?

Dr LAWRENCE replied:

(1)-(3)

I have said on previous occasions that I do not agree with those comments. I have elaborated in some detail. I am conscious of the time and I do not intend to repeat the answer. It is politically convenient for the Leader of the Opposition to suggest there might be another answer today than there was last week. It is the same answer. As I said yesterday, the day before and last week, and whenever I have been asked, it is important that we recognise that this is a country in which freedom of speech prevails. Certainly some of the things that the Leader of the Opposition says, I do not find appealing but nonetheless I do not seek to gag him. I apply the same standards to the member for Eyre. In moving a motion this week, and in direct correspondence with the commission, I have indicated my regard for the work the commissioners have done.

Mr Court: You support the member for Eyre's comments!

Dr LAWRENCE: No! I said no, I did not; no, no, I did not; and I do not; and I will not. However, I defend the member for Eyre's right and other members' rights within the laws of the land - defamation and libel and the like -

Several members interjected.

The SPEAKER: Order!

Dr LAWRENCE: I defend the rights of all members of this House and members of

the public to make dissenting statements not only about the Royal Commissioners but also about others. That is not to say they should be made carelessly; they should be made with caution. That is very important.

Several members interjected.

The SPEAKER: Order!

Dr LAWRENCE: If the Leader of the Opposition is serious about this matter, he will control some of his own members who say the most scandalous things about members of Parliament, presiding officers, members of the public sector and others when it suits them. That is not good behaviour, whether it comes from the Leader of the Opposition or from the member for Eyre; and I have always said so.