

# **Legislative Assembly**

Thursday, 5 August 1993

**THE SPEAKER** (Mr Clarko) took the Chair at 11.00 am, and read prayers.

## **PETITION - COMMON LAW AND WORKERS' COMPENSATION RIGHTS, CHANGES**

**MRS HENDERSON** (Thornlie) [11.07 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 people of Western Australia on behalf of injured workers and their families wish to express our opposition to and concern at the proposed unfair and unjust retrospective changes to common law and workers compensation rights, with effect from 4.00pm on 30 June 1993 announced by the Minister for Labour Relations at about 2.00pm on 30 June 1993.

The planned removal of common law rights if a writ had not been issued before 4.00pm on 30 June 1993, unless an injured worker can establish a 30% total body impairment, is a draconian and unwarranted change to the law. It is estimated that 90% of common law claims will be disentitled to compensation. It has not been shown by the Minister that any extensions under the Workers' Compensation Act will adequately compensate injured workers.

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 180 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 60.]

A similar petition was presented by Mr Kobelke (49 signatures).

[See petition No 66.]

## **PETITION - VICTIMS OF JUVENILE CRIME, NEW LEGISLATION**

**MR BLOFFWITCH** (Geraldton) [11.08 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 being concerned citizens of Western Australia, on behalf of the innocent victims of juvenile crime, call on you, my parliamentary representative, to legislate the following changes to our laws.

### **1. MINIMUM TERMS, MANDATORY SENTENCING**

Mandatory minimum terms to remove judicial discretion.

Maximum terms retained, for use in extreme penalties.

Prior sentences to be taken into account.

Sentences for each crime to be served separately and cumulatively.

Prosecution to continue its case after plea and sentencing.

### **2. PRE-SENTENCE REPORTS**

Mandatory for judges to consider before sentencing.

### **3. VICTIM IMPACT STATEMENTS**

Mandatory offer to victims (including families and close friends) whether defendant pleads guilty or not guilty.

4. **AGE LIMITS**

Those living away from home on their own resources, automatically classed as adults.

Adult crimes to be defined and punishments to fit.

Review of under 18 juvenile classifications.

5. **RESTITUTION**

Mandatory, either monetarily or through enforceable work orders.

Improved examination of defendant's resources.

6. **PUBLIC EDUCATION**

Community education programmes to inform citizens of their legal rights as victims of crime.

Government assistance programmes for victims (legal, psychological, financial).

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 97 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 me. I have been given some prior warning of this situation. The petition just presented by the member for Geraldton which seeks legislation to address the problem of juvenile crime is printed on pages which contain other printed material on the reverse side. I remind members that Standing Order No 89 states that no letters, affidavits or other documents shall be attached to any petition. In this case the document is printed on the back of the petition rather than attached to it. Nevertheless, it could be regarded as an attachment. Although on this occasion I will accept the petition, I advise members that in future I will rule such petitions out of order unless there are extreme extenuating circumstances.

I direct that the petition be laid on the Table of the House.

[See petition No 61.]

**PETITION - PARLIAMENT, BIBLE REINTRODUCTION**

**MR TRENORDEN** (Avon) [11.11 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 make this petition out of a deep concern for people in this nation of Australia and the State of Western Australia.

In the cities and country towns there is evidence of disturbing human behaviour in all age brackets.

Crime, violence, rape, suicide and acts of senseless cruelty, both to humans and animals alike are on the increase. Moral and ethical values are being diminished by blatant hedonism.

The media and the education system must shoulder some of the blame but likewise the parliamentary sources that allow decrepit videos, violence and sexual promiscuity to be seen on Television, aired on Radio or talked in the Education system are blatantly helping to promote moral and ethical decadence in Australia. The acceptance of television programs like "SEX" on channel 9 Perth is a true example of the moral decline in Australia.

The world is a wonderfully, beautiful, place to live in, if we live to the standards set within the Holy Bible.

Parliament used to read from the Bible and use the Bible as its guide in decision making. We the undersigned would like to see the Holy Bible reintroduced as a

guideline so that moral and ethical values could once again be evidenced in all areas of life, especially in the running of our state and nation.

We the undersigned ask that this letter be presented in both the State and Federal Houses of Parliament. That Parliament might consider Biblical Truth to help save this State and Nation of Australia from any further moral and ethical decline.

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 92 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 62.]

### **PETITION - COMMON LAW AND WORKERS' COMPENSATION RIGHTS, CHANGES**

**DR EDWARDS** (Maylands) [11.14 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.

I, the undersigned am caught up in this workers' compensation fiasco. I was injured at work on the 25th July 1990. I worked another year with constant physio until it didn't help. I had a spinal fusion in July 1992 which helped for a few months or more but as it happens I now need to have another operation and because of the mess, that ruling of workers' compensation, my operation hangs in the balance. My medical limit had gone over by \$500 about four weeks after my operation and I owe Medicare as well as solicitors fees. I feel quite stressed about all the hold ups and uncertainty of knowing where I stand. I still go to hydrotherapy 3 times a week but am losing my ability to do even short walks and driving with severe pain. I would gladly love to be back at work rather than in the position I am in. My income is only \$7 000-odd a year which I haven't lost thankfully, so the new thing of helping people if they have lost \$50,000 in wages is ridiculous as it wouldn't help me and many others in similar situations as myself.

It is my request that the decision made by the Minister for Labour Relations regarding changes to common law and workers' compensation rights, that was announced on 30 June 1993, be withdrawn.

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

The petition bears one signature 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 63.]

### **PETITION - OSET, BATOUL (SIMA) MRS, UNFAIR DISMISSAL**

**DR CONSTABLE** (Floreat) [11.15 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.

I wish to bring to your attention the unfair dismissal of Mrs Batoul (Sima) Oset from the Ministry of Premier and Cabinet, Women's Interest Division, in 1989, where she held the position of Officer, Level 1. Her rights as a citizen under the Equal Opportunity Act have been denied.

She has subsequently attempted to regain her employment, but her requests to the

Equal Opportunity Commission and Tribunal, the Public Service Commissioners and Appeal Board, and a number of responsible Ministers, have not led to her reinstatement.

Because she was denied Legal Aid, she represented her grievance herself under emotional and financial stress. Furthermore, she was not able to pursue her case in the Supreme Court of Western Australia, as she could not afford the legal costs.

She believes, in addition to the manner in which her employment was terminated, she has been subjected to further hostility and injustice, during her pursuance of these matters since 1989.

To do justice, she requests her unfair dismissal be investigated with a view to reinstatement to the position she has been denied since 1989.

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

The petition bears one signature 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 64.]

#### **PETITION - BUNBURY REGIONAL HOSPITAL, CONSTRUCTION**

**MR D.L. SMITH** (Mitchell) [11.16 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 residents of the Bunbury Region, ask Members of the Legislative Assembly

1. to indicate that the Minister for Health immediately proceed with the construction of a State Government owned and operated Bunbury Regional Hospital on its current site.
2. to indicate to the Minister for Health our opposition to any plan for the Bunbury Regional Hospital to be managed by private interests.

Your petitioners most humbly pray that the Legislative Assembly, in Parliament assembled, should give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 609 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 65.]

#### **JOINT STANDING COMMITTEE ON UNIFORM LEGISLATION AGREEMENTS**

##### *Notice of Motion Withdrawn*

Leave granted to Dr Constable (Floreat) to withdraw Notice of Motion No 9 from the Notice Paper.

#### **MINISTERIAL STATEMENT - BY THE MINISTER FOR THE ENVIRONMENT**

##### *Timber Industry Inquiry*

**MR MINSON** (Greenough - Minister for the Environment) [11.20 am]: Pursuant to the conditions set by the former Minister for the Environment, I convened a scientific and

administrative committee to inquire into a number of matters connected with the timber industry. I have received the report of that inquiry and I thank those people for their careful consideration of the issues involved.

I will now advise the Parliament and the Western Australian community of my response to that report. Two points are particularly important. Firstly, it is clear that the natural ecological processes - the energy, carbon, nutrient and water cycles - which are essential to maintain the forest ecosystem are not being adversely affected by managed timber harvesting. Secondly, the level of harvest must be such that the total amount of wood removed is less than the wood increment or growth which is produced by the forest. Our native forests will therefore remain a perpetual resource available for use by future generations.

Having considered the report, I have approved the following indicative harvest levels for the 10 year period commencing 31 December this year. These amounts may be varied from year to year but represent a 10 year average. They are: Jarrah, 490 000 cubic metres per year of first and second grade saw logs; karri, 214 000 cubic metres per year of first grade saw logs and 203 000 cubic metres per year of other logs; and marri, up to 559 000 cubic metres per year of bole logs. I point out that marri is harvested as a consequence and subsequence of karri and jarrah harvesting and therefore will reflect the quantities harvested in those years.

If improvements in utilisation standards occur to make wood currently left as waste on the forest floor commercially utilisable either as saw log or some other product I am prepared to allow that material to be removed as part of harvesting operations. The overriding constraint is always that the total bole volume fell must never exceed the sustainable wood increment for each wood timber species. I turn to the implications of harvest levels for the existing and future timber industry. The allowable jarrah harvest of 490 000 cubic metres per year represents a 30 000 cubic metres per year reduction from the 1992 level contained in the 1987 timber strategy.

It is the Government's view that as well as a stable large sawmilling sector the health and innovation of the small sawmilling sector must be nurtured. Therefore, I have determined that the reductions in the level of cut will fall principally on those companies with existing large volume contracts which have the greatest ability to absorb such reductions. It will be a condition of renewal of contracts, which will now be for 10 years, that timber millers will be required within a three year period to convert at least 50 per cent of their intake into a value added product.

#### *Points of Order*

Mr RIPPER: Once again we see a brief ministerial statement for which the time has expired. The statement is on a matter of importance and should be delivered under the provision of standing orders which give the Minister 20 minutes to make a statement and the Opposition a right of response. Once again an important issue is being presented to this House without the Opposition being given advance notice or the right of response. You, Mr Speaker, may like to consider making a ruling about the occasions on which Standing Order No 118A should be used as opposed to the occasions on which Standing Order No 118(1) should be used.

It seems to me that the standing orders are not being used correctly. Standing Order No 118A was designed to avoid the excessive use of dorothea dixers during question time. It is not doing that and we are still experiencing excessive use of dorothea dixers during question time. The Opposition sees Standing Order No 118A being used to circumvent the provisions that require it be given advance notice and a right of response to ministerial statements.

Mr C.J. BARNETT: The issue here is whether three minutes is adequate time for a ministerial statement. I remind the member for Belmont that, unlike the previous Government, this Government makes important announcements in the Parliament. We do not allow announcements to be made through press releases. You, Mr Speaker, have commented about the three minute ministerial statement and that three minutes is a short

time. It is appropriate that that length of time be reconsidered. I remind you, Mr Speaker, that the difference between this Government and the previous Government is that important matters are announced in the Parliament, where they should be announced.

The SPEAKER: I am much of the same mind as the member for Belmont and I have indicated that several times since taking this position. I am tempted to say - and my wife would say that I often do this - that I spoke on this issue when it was first introduced saying that three minutes was too short a time for such speeches. I discussed this brief ministerial statement with the Minister early this morning and decided that at the first meeting of the Standing Orders Committee I would raise the question of whether this period should be amended or another appropriate course of action be implemented. I have not yet held a meeting of that committee because of my newness in the job, but I intend to hold one shortly. This matter will be an agenda item at that time. I think the member for Belmont would agree that my predecessor adopted the practice I have been adopting over the past few weeks of giving Ministers a certain amount of extra time when making such speeches. I thought that action was reasonable on his part and I will follow that course until a decision is made by the Standing Orders Committee and that decision is brought back to the House.

Mr McGINTY: I wish to move that so much of standing orders be suspended -

The SPEAKER: Order! It is inappropriate to seek to move a motion when a Minister is midstream in a ministerial statement. The member can only move what he seeks to move between matters and not while a matter is before the Chair. I intend to allow the Minister to conclude his brief statement and, if the member for Fremantle then feels it is appropriate to take some further action, I will see that matters proceed in the proper way.

#### *Ministerial Statement Resumed*

Mr MINSON: The question of conservation of native forests in Western Australia has been covered in some detail, including conservation estates and linkage reserves. Plantations have been covered in some detail, as have future trends of the industry. This review process has been both intensive and thorough. In my view the decisions I have made will allow both the timber industry and the broader Western Australian community, which is vitally interested in our forests, to plan with certainty confident that the future of our forests is assured. I table for the information of the Parliament and the people of Western Australia the Report of the Scientific and Administrative Committee and the ministerial response to that report.

[See papers Nos 240 and 241.]

### **MOTION - STANDING ORDERS SUSPENSION**

#### *Reply to Ministerial Statement on Timber Industry Inquiry*

MR McGINTY (Fremantle) [11.28 am]: I move -

That so much of the standing orders be suspended as is necessary to allow the member for Fremantle to respond to the statement of the Minister for the Environment on future logging levels in south west forests.

In recent times we have seen an abuse of the three minute brief ministerial statement in this place. Major announcements by the Government affecting fundamental matters in this State are being put in a brief form which does not enable details to be disclosed to the Parliament. They are also being put in a way that does not give the Opposition the right of response to the matters raised.

The announcement this morning is fundamental to the future of our south west forests, an issue close to the hearts of a number of people in this State. A similar statement was made earlier in the week in relation to the Collie coal fired power station and another yesterday on juvenile justice. Those are three examples in the past three days of brief ministerial statements which, in my view, were an abuse of the system and which were made in such a way as to deny the Opposition the right to respond. The other matter requiring a response is what I believe is a breach of the privilege of this House by the

person who was the chairman of this inquiry. A letter from Dr Timothy Meagher, addressed to me, was delivered to me in the Chamber this morning.

*Point of Order*

Mr MINSON: The member rose to discuss another matter, which has nothing to do with that which he is now attempting to discuss.

The SPEAKER: I have previously made the comment that in moving to suspend standing orders, it is necessary to give certain supportive information. Naturally, members cannot anticipate the motion that they might like to debate subsequently. I remind the member for Fremantle of that. Basically, he is moving to suspend standing orders for a particular reason, and any supportive information should necessarily be brief.

*Debate Resumed*

Mr McGINTY: I will read to the House the final paragraph of that letter, in which the person who headed the Government's logging inquiry has committed a grave abuse of the privileges of this House.

Mr Court interjected.

Mr McGINTY: The Premier should listen to this and he will see what is involved. If he were listening for a change rather than mouthing off, as he normally does, he might learn something. It is of enormous concern that a threat has been made to me by Dr Timothy Meagher in respect of my capacities and duties in this House. Dr Meagher is the person upon whom the Minister for the Environment relied in the statement which he made to the House. The letter from Dr Timothy Meagher concludes on this note -

Any further comment by you adverse to my reputation, in the House or without will be met by legal action.

Frankly, he has no right to threaten legal action in order to silence a member of this House who is performing his duties diligently on behalf of the people of this State. That is an absolute disgrace. That is the quality of the advice that the Minister for the Environment is receiving - advice from someone who would make a threat along those lines. Dr Meagher is threatening me about comments which I made in this House, which were fully justified, and which were not answered by the Minister or by anyone else at the time they were made, about the conduct of this logging review and also about the Environmental Protection Authority and the role of Mr Carbon. Appropriate action should be taken to bring this person before the House or to have him disciplined or punished for what is a most contemptuous breach of the privileges of this House. For those reasons, standing orders should be suspended.

The report released by the Minister this morning is fundamental to the interests and livelihood of many people.

Mr Minson: It was put together by a committee and not just by Dr Meagher. He chaired the committee.

Mr McGINTY: That does not, under any circumstances, justify his illegal threat against a member of this House, and if the Minister had anything to do with the composition, input or delivery of that letter, he should be condemned.

Mr Minson: I have no knowledge of that letter whatsoever.

Mr McGINTY: It is interesting that the first copy of this letter was delivered to the Minister for the Environment, according to the copy that I have.

Mr Minson: Which I have not received.

Mr McGINTY: The Minister has not received it, even though it was prepared by his consultant? I got it before the Minister? Great! What we have in the report is a determination of the appropriate levels of logging.

*Point of Order*

Mr BRADSHAW: Mr Speaker, the member for Fremantle is now getting off his motion, and you should bring him to order.

The SPEAKER: Order! I must say that when I listened to him a couple of moments ago, when he abbreviated the letter, I thought he did it particularly well, but it would not be surprising if he did move off the motion somewhat because in my 20 years in this place, almost every person who moved such a motion generally did. However, I remind him to continue what he was doing a few moments ago and to keep it very much to the question before the House.

*Debate Resumed*

Mr McGINTY: Certainly, Mr Speaker. In the brief time that I have had available to me, and as best I have been able to ascertain from reading the report, and from listening to the Minister in the House and earlier this morning on radio, the report overrides the Environmental Protection Authority's recommendations about this matter. It places little weight on the caution that was recommended by the EPA when we move in this important area of protecting our State forests. It also rejects completely the notion that greater protection should be afforded to wildlife in the south west forests in the areas that are subject to logging. It will see a dramatic increase - I emphasise those words - in the amount of timber cut out of our native forests in the south west of the State. The 1987 forest strategy provided for a declining take of jarrah from our forests because they were being overcut dramatically. That provision has been implemented.

What is being recommended by the Department of Conservation and Land Management and by the ministerial statement that we have just heard is a dramatic increase in the level of cut which was allowed under the 1987 forest strategy. That should cause alarm bells to ring in the minds not only of members of the conservation movement in this State, but also of anyone who has any feeling for the importance of the south west for the people of this State in economic, sustainability, environmental and tourism terms. As best I have been able to ascertain in the brief time that I have had it, the report is a recipe for disaster in the south west forests, and it throws out of the window completely the EPA recommendation that we proceed with great caution on this matter.

Mr Omodei: Have you read it?

Mr McGINTY: I have read it as quickly as I have been able to. I have listened to what the Minister said in the House and to what he said on radio earlier, and I have been able to distil those features from it. No member opposite has denied that the facts which I have just stated are true. It is irresponsible to make a major announcement which will affect the future of this State in such a way that not enough detail is able to be included in it to accurately put before the Parliament all of the matters, and to use a brief ministerial statement which is designed to avoid debate in this House and to stop the Opposition from commenting on those matters. For that reason, standing orders should be suspended.

The SPEAKER: Order! It will be necessary for you to put that in writing to me and to sign it, but in order to not inhibit the business of the House, I put the question and give the call to the Leader of the House.

MR C.J. BARNETT (Cottesloe - Leader of the House) [11.37 am]: The Government does not support the motion. The statement by the Minister for the Environment was a brief ministerial statement. In the course of the Minister's presenting the statement, he tabled a lengthy document in the Parliament, as is quite proper. The member for Fremantle, by his own admission, has not even read that report. The Minister for the Environment did the appropriate thing. He tabled the report in the Parliament. That report is now available, as it should be, and members of Parliament can read that report. There will be plenty of time for members opposite to debate this report.

Mrs Hallahan: When?

Mr C.J. BARNETT: They may use, for example, private members' time next week. At the very least, members opposite should take the time to read the report before they debate it. That will contribute to the level of debate.

Mr Ripper interjected.



Mr C.J. BARNETT: If members opposite ever get back onto this side of the House, they can decide how they want to conduct the business of the House. I do not think the former Government conducted itself particularly well. The Minister for the Environment has done the proper thing. He has made a statement in this Parliament - albeit a brief statement - and he has tabled the report. When members opposite read that report, we can properly discuss it in this place.

Mr Kobelke: Run for cover!

Mr C.J. BARNETT: There is no running for cover.

### *House to Divide*

Mr C.J. BARNETT: I move -

That the question be now put.

### *Division*

Question put and a division taken with the following result -

#### *Ayes (26)*

Mr Ainsworth  
Mr C.J. Barnett  
Mr Board  
Mr Bradshaw  
Mr Court  
Mr Cowan  
Mr Day  
Dr Hames  
Mr House

Mr Johnson  
Mr Kierath  
Mr Marshall  
Mr McNee  
Mr Minson  
Mr Omodei  
Mr Osborne  
Mr Pandal  
Mr Prince

Mr Shave  
Mr W. Smith  
Mr Strickland  
Mr Trenorden  
Mr Tubby  
Dr Turnbull  
Mrs van de Klashorst  
Mr Bloffwich (*Teller*)

#### *Noes (19)*

Mr Brown  
Mr Catania  
Dr Constable  
Dr Edwards  
Dr Gallop  
Mr Graham  
Mr Grill

Mrs Hallahan  
Mrs Henderson  
Mr Kobelke  
Dr Lawrence  
Mr McGinty  
Mr Riebeling  
Mr Ripper

Mr D.L. Smith  
Mr Thomas  
Ms Warnock  
Dr Watson  
Mr Leahy (*Teller*)

#### *Pairs*

Mr Lewis  
Mr Wiese  
Mr Blaikie  
Mrs Edwardes  
Mr Nicholls

Mr Cunningham  
Mr Hill  
Mr Marlborough  
Mr M. Barneil  
Mr Bridge

Question thus passed.

### *Division*

Question (suspension of standing orders) put and a division taken with the following result -

#### *Ayes (20)*

Mr Brown  
Mr Catania  
Dr Constable  
Dr Edwards  
Dr Gallop  
Mr Graham  
Mr Grill

Mrs Hallahan  
Mrs Henderson  
Mr Kobelke  
Dr Lawrence  
Mr McGinty  
Mr Riebeling  
Mr Ripper

Mr D.L. Smith  
Mr Taylor  
Mr Thomas  
Ms Warnock  
Dr Watson  
Mr Leahy (*Teller*)

## Noes (26)

Mr Ainsworth  
Mr C.J. Barnett  
Mr Board  
Mr Bradshaw  
Mr Court  
Mr Cowan  
Mr Day  
Dr Hames  
Mr House

Mr Johnson  
Mr Kierath  
Mr Marshall  
Mr McNee  
Mr Minson  
Mr Omodei  
Mr Osborne  
Mr Pendal  
Mr Prince

Mr Shave  
Mr W. Smith  
Mr Strickland  
Mr Trenorden  
Mr Tubby  
Dr Turnbull  
Mrs van de Klashorst  
Mr Bloffwitch (*Teller*)

## Pairs

Mr Cunningham  
Mr Hill  
Mr Marlborough  
Mr M. Barnett  
Mr Bridge

Mr Lewis  
Mr Wiese  
Mr Blaikie  
Mrs Edwardes  
Mr Nicholls

The SPEAKER: As there is not an absolute majority of members present and voting in favour of the motion, I declare the question negatived.

Question thus negatived; motion defeated.

**DISABILITY SERVICES BILL***Second Reading*

**MR MINSON** (Greenough - Minister for Disability Services) [11.49 am]: I move -

That the Bill be now read a second time.

The Disability Services Bill seeks to establish a new statutory body responsible for the funding and provision of disability services in Western Australia. It builds and improves on the provisions of the Disability Services Act passed by Parliament in 1992 and proclaimed as recently as April of this year, and marks the start of a new era of coordinated effort to ensure that all people with disabilities and their carers are able to lead a quality life as equal members of our Western Australian community.

In recent times there has been a developing awareness of the extent and impact of disability on the lives of our fellow Western Australians. It is estimated that one in every eight, or more than 190 000 people in this State, have a disability at some time in their lives, which means that nearly every family is affected. Yet it is only comparatively recently that the rights and needs of this most substantial sector of the population has been widely recognised and supported in the public arena. Despite the large numbers of people affected, until recently disability has tended to be a somewhat invisible force in our community. For many Western Australians the impact on individual and family life has been daunting but not always obvious because people with disabilities were often secluded or shut away from public view, with no power or opportunity to improve their own lives. Carers coped as best they could in private, often without the energy or resources to access, or ask for, the help they needed to relieve the stresses of care.

Great progress has been and is being made in this area. People with disabilities are increasingly being seen and heard as part of the community to which they rightfully belong. Carers have grouped together for support and to lobby and advocate that their needs be met. But the legacy of the past means there is still a reservoir of unmet need to be addressed.

The previously uncoordinated approach to disability services has meant that services have often been fragmented and piecemeal with service providers assigned responsibility for meeting needs less on the basis of the need than on the label given to the person's disability. Thus, we have seen people missing out because they did not fit neatly into an agency's labelling system, public confusion regarding which agency had responsibility for providing services, and costly duplication of service structures between agencies focused exclusively on the needs of a narrowly defined client group. A diffuse focus

between agencies has meant that the needs and rights of people with disabilities could not be represented in a united way. This is not to deny the commitment and dedication of service providers working on behalf of their clients. Government service provision agencies such as the Authority for Intellectually Handicapped Persons and the Health Department have made major contributions, both towards advancing a better quality of life for the people they serve and promoting full participation in the community. It is also appropriate to acknowledge the pioneering work of the Bureau for Disability Services which, since its establishment in 1991, has provided a coordinated focus for the planning of policy and services to people with disabilities in Western Australia.

The need in the first place for a coordinated agency arose largely because of the existence of separate agencies with service provision responsibilities for people with different disabilities. This was a model which grew out of the isolation and exclusion of people with certain disabilities from the normal activities and opportunities of community life. Although recognising the diversity and individuality of people's needs, much is to be gained from a united front. The time has come to adopt a broader approach to disability services in Western Australia.

As more people with disabilities move out of protected and segregated settings into the community, mainstream agencies will increasingly need to accept their responsibilities to provide services and facilities which are accessible to all citizens. Information will also need to be provided in a more accessible manner so that all people have the same opportunities to make informed choices and decisions. The more contact and experience community members have at a community level with people with different levels of ability, the easier it will be to break down the practical and attitudinal barriers which have for so long excluded people with disabilities from joining in and making their unique contribution at home, work and play.

The establishment of a single Disability Services Commission will further the good work undertaken on an individual agency basis on behalf of people with disabilities and their carers. This will enable a united approach and a pooling of creative expertise and skill throughout the disability services field. It will provide a more powerful focus from which to advocate the rights and needs of people with disabilities and their carers in Western Australia. It will also enable more effective coordination of policy and services, and minimise costly duplication of service structures so that resources can be freed to address other areas of unmet need.

This Bill retains all the provisions of the Disability Services Act 1992 with some minor changes in wording and includes the provisions necessary for the operation of the commission. Although amendment of the Disability Services Act was considered, a consolidated Bill was drafted for ease of reading and to encourage the widest understanding of the Government's intention. By taking this course of action it is not intended that the House again debate the provisions of the Disability Services Act which was so recently passed and proclaimed, particularly in view of the all party support for the legislation at the time. Extensive community consultation prior to the drafting of the Disability Services Act revealed strong support for the creation of a single administrative and coordinating entity. Given the bipartisan support afforded the Disability Services Act, and the public support for the provisions to be added, this Bill should receive the approbation of the House. The provisions carried forward from the Disability Services Act have only been improved by the amendments in this Bill which I will detail in due course.

Essentially, this Bill is not about re-enacting the provisions already agreed to, but about giving effect to the coalition Government's policy on disability which was released earlier this year. That policy recognised that a person with a disability is handicapped if the community of which he or she is a part does not enable that person to develop and live at the optimum of his or her capacity and to have the opportunity equal to all members of that community to achieve happiness. The Government's policy is aimed at removing from the lives of those affected by disability as many of the handicaps as can possibly be removed. The Disability Services Commission, provided for in this Bill, will seek to reduce such handicaps. This will be achieved in part by the services it provides

or funds, and equally by its efforts to educate and assist Western Australian agencies and communities to accommodate persons with disabilities. As those advertisements sponsored by the Cerebral Palsy Association so rightly point out, we need to "see the person, not the problem".

In establishing the Disability Services Commission the Government will amalgamate the functions and resources of the Authority for Intellectually Handicapped Persons and the Bureau for Disability Services into a single entity charged with broad responsibilities to assist individuals and their families to enjoy the highest quality of life attainable. The creation of this commission is needed and timely. Although recognising that disability takes many forms and that individuality and differences need to be taken into account, the funding and development of services requires Statewide coordination. This is particularly so following the signing of the Commonwealth-State disability agreement as 114 services receiving \$20m were transferred to State administration on 1 July 1993.

As members would appreciate, the need to negotiate effectively with Commonwealth Government agencies is paramount to ensuring the best deal for this State. In turn, the need to ensure the efficient and effective administration of services is essential. The Disability Services Commission allows for the achievement of both goals. In essence, this Bill therefore -

- Contains all the provisions of the Disability Services Act, including the previously endorsed statement of principles applicable to people with disabilities and objectives for services and programs relating to people with disabilities - schedules 1 and 2;

- makes additional provisions for the establishment of the body corporate of the Disability Services Commission, including its staff functions and financial arrangements - part 2;

- gives legislative authority to the functions of the new commission with an emphasis on providing people with choices about services which most effectively meet their needs; and

- makes provision for the maintenance of services by the transfer of resources to the new agency - schedule 6, part 2. It should be noted here that it is not the intention of the legislation to automatically appoint senior staff of the Authority for Intellectually Handicapped Persons to the Disability Services Commission. The retention of senior staff during the transition period is for the purpose of ensuring effective service delivery and continuity. The new agency's most senior positions will be advertised.

In cooperation with other individuals and agencies the Disability Services Commission will have a role -

- in policy development, including an advisory, research and evaluation function;

- in service provision, both directly and by encouraging and assisting the development of services by other non-Government and community agencies. The commission's service provision role includes the promotion and oversight of service standards and the promotion of equal access for people with disabilities to services generally available to the community;

- in funding and accountability to enable agencies to provide a diverse range of services which meet the needs of people with disabilities and their carers, and for individuals and carers to purchase service of their choice; and

- in community education and consumer advocacy to promote the dignity and rights of people with disabilities.

The service orientation of the Disability Services Commission will be towards enabling and supporting personal choice. The funding and facilitation of non-government and community based services will allow for the development of a broad range of innovative service strategies from which consumers can choose according to their own individual needs. The allocation of funds directly to individuals and carers will allow people the

dignity of purchasing services which they have selected for themselves to improve and enrich their quality of life. The provision of accessible information on the availability of services is an essential prerequisite for enabling valid choices to be made.

The Bill establishes the framework that provides for the extension and expansion of the local area coordination scheme recently established by the Authority for Intellectually Handicapped Persons. This individualised service has been most successful in providing people with a disability with a greater choice and control over the supports they receive. Funding agreements will ensure a high level of accountability to ensure that public money is spent in the best and most effective way possible.

The commission will be established with a board of nine members who will be appointed on the basis of their ability to represent the diverse range of groups served by the commission and to contribute the knowledge and expertise necessary for the commission to carry out its functions effectively. Action has been taken - subject to the passage of this Bill - to advertise and consider the membership of the board. This will ensure that the appointment can speedily follow the assent of this legislation.

I now turn to the provisions of the Bill in more detail. Part 1 deals with such preliminary matters as the short title, commencement and interpretation. The definition of disability provided in the Bill is broad, encompassing intellectual, psychiatric, cognitive, neurological, sensory or physical impairment. This follows the pattern set in the legislation of other States and the Commonwealth allowing uniform funding and the development of national data on disability services. One difficulty arising from this approach lies in the provision of services to people with a psychiatric illness who are currently the administrative responsibility of the Health Department of Western Australia. There is no intention that the Disability Services Commission take over the administration or treatment of psychiatric illness. This is a medical matter outside the purview of the commission. Only in circumstances where people are disabled following an acute psychiatric illness and need ongoing support will the services or funding of the Disability Services Commission be relevant.

This legislation is binding on the Crown, requiring Government service providers to meet the same standards required of non-government agencies. A clause to protect against the possibility of litigation over the entitlement to services has been included on legal advice. In no way should this be taken to mean that people with disabilities do not have a right to expect services which meet their needs. It is recognised, however, that there are gaps in services, particularly for some areas of disability which, until now, may not have been as well resourced as others. The Disability Services Commission will be addressing these areas of need. The possibility of legal challenges over entitlement to services would not be constructive to this process.

Part 2 provides for the establishment of the Disability Services Commission, detailing the composition of the board and arrangements for staffing. It sets out the functions of the commission, funding and financial provisions, and details of the relationship between the commission and the Minister. The Bill provides that the Minister will have access to information required for the proper conduct of ministerial business and will be able to give directions to the commission. Directions will be in writing and the text of any ministerial direction will be included in the commission's annual report to Parliament.

The power to fix fees and charges provided in clause 13 is expressed in more general terms than the provisions of the Authority for Intellectually Handicapped Persons Act 1985. Since the framing of the authority's Act, the range of accommodation services has broadened significantly. In addition to Government-owned group homes and hostels, private property and Homeswest housing are utilised. Service models now include co-residency, joint tenancy and an array of other support arrangements. In all cases residents are asked to make a contribution to the running costs of their place of residence, relative to the range of services provided and having regard for their limited income. The rewording of this provision is intended to reflect current charging practice; it is not intended to provide for the introduction of any broadly based fee for service.

The composition of the nine member board is a matter which has received extensive

consideration. In overseeing an agency with an annual budget in excess of \$100m, the board will need to be able to draw on knowledge and skills in management, finance and the provision of services in the public and private sectors. At the same time the understanding and expertise of people who have more direct and personal experience of disability issues will exert an important influence on board decisions, and the Bill provides for a strong representation from people with a disability and those who advocate or care for them. The final composition of the board will take account of and ensure a representative range of expertise and experience among members.

Although not specifically provided for in the section of the legislation, it is recognised that the needs of country residents must also be represented and advocated for in the planning and provision of disability services in this State. Members may recall that this Government, while in Opposition, successfully moved to ensure that the entitlement of country people to services of a similar standard to those available to people living in the metropolitan area was included as one of the principles of the Disability Services Act 1992.

Part 3 relates to the Advisory Council for Disability Services established under the 1992 Act. This body has provided a valuable forum for the exchange of views and contributed significantly to the advice on which I am able to draw. The Advisory Council for Disability Services is an important element in the provisions of checks and balances that ensures that the opinions of both service providers and people with a disability are heard. Given the many different forms disability may take, there is a need to ensure their distinct problems are understood and represented. The Bill provides for the continuity of current advisory council membership, subject to their current terms of office, and ensures that the views of the council are available to the board of the Disability Services Commission by the requirement that the chairperson be appointed to the board.

Part 4 concerns the allocation of funding for services relating to people with disabilities. The Bill provides for the funding of service providers and developers and for grants to be made directly to individuals or their families, advocates or carers, consistent with the principles and program and service objectives listed in schedules 1 and 2. These principles and objectives establish the framework for the development of services. At this time the services of both the Disability Services Commission and funded non-Government agencies are required to seek to further the principles and meet the objectives specified in the legislation. Compliance will be required by 1 January 1996.

Clause 24 represents an amendment to the original provisions of the Disability Services Act 1992, recognising the funds that are provided to families and carers on behalf of a person with a disability. Although this Bill rightly focuses on the needs and rights of persons with a disability, it is acknowledged that these are often highly interwoven with the needs and rights of families. Specific reference is made to the maintenance and support of the family unit in the legislative principles and objectives.

Although the commission is empowered to make decisions on the granting of funds, there is a capacity under clause 26 for the Minister to review such funding decisions. An incorporated service provider may request a review if that provider has been directly affected by a decision. Any review would be conducted independently from the Disability Services Commission under the direction of the Minister's office. This provision has been included in response to some concern expressed by service providers who see a need for a review mechanism independent of the commission, as part of the checks and balances in the funding process. The Minister may make a written directive for the commission to amend its decision which would then be included in the commission's annual report. The funding provisions are cost effective, provide for service diversity and consumer choice, and ensure a high level of accountability.

Part 5 provides for the development and implementation of disability service plans by public authorities. The 1992 Disability Services Act referred only to the services provided by public authorities, thereby excluding those agencies which, although dealing with the public, may not be deemed to be providing a service as such. This exclusion has been corrected in the Bill now before the House.

Part 6 provides a grievance mechanism for the handling of complaints about disability services. The unreasonable provision of a service, its absence or the manner in which it is provided, are grounds for complaint, as is the disclosing of confidential information, restricting access to a complainant's records and the making or not making of a grant. The Bill includes a number of amendments to the complaints provisions of the 1992 Act. The original provisions created a tiered system whereby complaints unable to be resolved between the parties were referred to the director of the Bureau for Disability Services for conciliation. If conciliation was not possible at that level, the matter would be referred to the Commissioner for Equal Opportunity for resolution.

As the bureau will now be incorporated within the Disability Services Commission, it is considered inappropriate that complaints be lodged with the body which funded or provided the service which is the subject of the complaint. As a result, complaints unable to be resolved between the parties will now be referred direct to the Commissioner for Equal Opportunity. Upon investigation, if the commissioner finds that unreasonable conduct has occurred, remedial action may be required of the service provider. The service provider must report back to the commissioner of the action taken.

Care has been taken in the drafting of this legislation to try to ensure that it does not conflict with any other complaints mechanism. Services funded or provided by the Disability Services Commission can be the subject of a complaint. Services funded or provided by the Health Department of Western Australia have been explicitly excluded, as it is anticipated that a separate complaints mechanism will be created later this year in respect of health services. The legislation has also been amended to provide for complaints on behalf of another, a broadening of the basis for making a complaint to include the provision or non-provision of a grant, and several minor amendments in procedural matters to ensure consistency with the Equal Opportunity Act 1984.

Part 7 details various miscellaneous provisions including confidentiality safeguards and a requirement for the Act to be reviewed after five years. Clause 53 creates an offence of ill-treatment of a person with a disability, with a \$4 000 fine or 12 months imprisonment penalty. In the drafting of this Bill, consideration was given to mechanisms which may offer some assurance of service quality and protection of people with a disability, such as the licensing of facilities or mandatory reporting provisions. Licensing measures have, however, been found to incur administrative costs which far outweigh their value. The need to protect vulnerable people from ill-treatment while in the care of others is a matter of some concern which the Disability Services Commission will attend to as part of a broader program of quality assurance and service monitoring.

The creation of the Disability Services Commission is an important next step in advancing the rights and needs of people with disabilities in Western Australia. The individual efforts of people and agencies must now be brought together to ensure that people with disabilities are not handicapped by barriers of our creation. Disability is a fact of life for many thousands of Western Australians. The extent to which a disability becomes a handicap, on the other hand, is a matter over which we, as a community, have some control. By providing choices and opportunities for people with disabilities we can all take part in enabling them to play their roles as equal and valued members of society.

I commend this Bill to the House.

Debate adjourned, on motion by Dr Watson.

## ENVIRONMENTAL PROTECTION AMENDMENT BILL

### *Second Reading*

**MR MINSON** (Greenough - Minister for the Environment) [12.14 pm]: I move -

That the Bill be now read a second time.

This Bill represents the Government's clear election policy commitment to enhance environmental administration in Western Australia. Most of the issues addressed in it have been *inter alia* the subject of the 1992 review of this Act that was initiated by the

previous Minister for the Environment. For the information of the House I intend to report to the Parliament on that legislative review of the Act in the near future.

The Bill as presented to the House today is intended to achieve several clear objectives including -

- (1) The creation of separate full time roles of the chairman of the Environmental Protection Authority, and the chief executive officer of the department of the Public Service supporting it.
- (2) Retaining the membership of the EPA as five people, but allowing for them to be appointed by the Governor, rather than the Minister.
- (3) Requiring public expressions of interest to be called for positions as members of the EPA, which, when considered with the provision for appointment by the Governor, allow for the reformation of the authority under this Bill.
- (4) Clarifying the provisions relating to the terms and conditions of appointment of authority members.
- (5) Amending the provisions relating to voting and public access to the records of authority meetings.
- (6) Requiring the Minister to ensure the authority is satisfactorily resourced to carry out its tasks under the Act.
- (7) Amending the Act as necessary to clarify the responsibilities of the CEO, and to ensure that proper accountability to the Minister for the administration of the Act exists.

The objectives I have outlined to the House today will clearly allow for greater public accountability for the Environmental Protection Authority, and in addition provide for a specific role for the community in contributing to the environmental protection process. I make it clear to the House that neither I nor the Government has any intention of restricting the authority's independence under section 8 of the Environmental Protection Act to report and recommend on environmental matters without being subject to ministerial direction. However, the Minister is also clearly responsible to this House and the community for the proper and effective administration of the Act, the EPA, and the department supporting it. In my view, this Bill clearly provides for this to occur.

The existing provisions of the principal Act offer a very confusing picture of the responsibilities of the authority and the department, mainly because the chairman and CEO positions are combined. The principal Act very clearly provides for the chairman not to be subject to ministerial direction - except when acting in the CEO capacity - and this is quite proper, but the situation has proved to be complex in practice and needs to be resolved. This is particularly so because the CEO has many specific administrative responsibilities under the principal Act and other Acts that require ministerial control and direction.

The most significant effect of this Bill is to separate the roles of chairman of the authority from CEO of the department, while maintaining both as full time positions. This Bill will act to enhance the accountability of the authority; clearly separate the very different responsibilities of chairman and CEO under the Act; allow the chairman and the authority to focus more clearly on the significant strategic environmental issues that will face Western Australia in the future; and at the same time ensure that the Minister has the responsibility of providing a satisfactory level of resources to the authority. The coalition's election platform was very specific in regard to the commitment to separate the two roles, and the Government clearly has a mandate to present this matter to the Parliament.

Clauses 1 to 4 of the Bill allow for the formal separation of the roles of the chairman and chief executive officer. The Bill does not name the department but I wish to inform the House that I believe the department referred to in the Act should be known as the Department of Environmental Protection.



Clause 5 allows for a full time chairman of the EPA, and a full time CEO of the department. It provides for public expressions of interest to be called for authority members, and also for their appointment by the Governor. This will require appointments to these vitally important positions to be properly considered by the Government from the range of interested applicants before the Minister makes a recommendation to the Governor.

Clauses 6 and 7 address necessary procedural changes resulting from the elements of this Bill. Clauses 8 and 9 enhance the functioning and accountability of the authority by requiring a public record of minutes to be available, requiring members to vote unless they have declared an interest, and requiring that the CEO or a representative shall be able to attend authority meetings - that is, as a non-voting member.

Clause 10 requires the Minister to be accountable for the satisfactory resourcing of the authority.

Clauses 11 and 12 relate to procedural amendments flowing from the separation of the chairman and chief executive officer roles. One significant issue in the principal Act and coalition policy that is not addressed by this Bill is the appeals process. After considering this matter, and the recommendations of the review report released to the public in 1992, I have recently moved to implement an independent appeals procedure within the provisions of the existing Act. I believe these provisions allow sufficient flexibility for an independent and impartial appeals system to exist, which will ensure that all parties are treated with equity and fairness. I am concerned that the provisions appear to have been used only very rarely since the Act was gazetted in 1986, but I now intend to implement them. I will review the situation over the period into 1994, and then introduce appropriate amendments to the legislation if they are required.

In summary I believe this Bill not only represents a clear coalition policy commitment, but also will do much to enhance the processes and functions of the EPA and the department supporting it. The Bill will enhance the accountability of the authority; clarify the responsibilities of the Minister, the chairman and the chief executive officer under this and other laws; provide for a greater community involvement in the State's environmental protection processes; and allow the authority to focus more clearly on the significant environmental issues facing the State.

The Government strongly supports the independent role of the EPA in recommending on policies and proposals to Government, and this Bill will only enhance this.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Leahy.

## SUPPLY BILL

### *Second Reading*

Debate resumed from 4 August.

**DR GALLOP** (Victoria Park) [12.21 pm]: I refer to a conference that I attended in Sydney over the past two days organised by the Committee for the Economic Development of Australia. The centrepiece of that conference was the publication *An Australia That Works: A Vision for the Future*, written by Mr Fred Argy, who was the Director of the Economic Planning Advisory Council until he retired recently. The two impressive things about this document are that, firstly, it sets a very aggressive and optimistic assumption as to what the Australian economy can achieve. Indeed, it is argued in this book that we should set an objective to have the rate of economic growth at five per cent so that we can fully realise the potential of the Australian work force, which is currently experiencing unemployment. This vision is optimistic; it says we should not accept unemployment, but should bring about full employment through economic growth. The second impressive thing about this document is that it recommends integration of economic and social policy. It clearly says that to achieve a successful economy it is necessary to have a successful social policy to integrate with it. I commend this document to members of this House to read.

While I was at the conference hearing leaders of Australian industry talk very positively about our economy and the policies needed to bring about economic growth, included in which should be provision for proper infrastructure for that growth so that it can be facilitated without any constraints placed on it, the Government in Western Australia decided to halve the size of the power station that was to be built in Collie from 600 MW to 300 MW. It thereby sent a signal to the economic community not only in Western Australia and Australia but also to the rest of the world, that this Government has no confidence in the ability of our Western Australian economy to grow. It directed the State Energy Commission - I hope the letter of direction will be published in the SECWA annual report next year; indeed I thought the Minister might have the decency to release it now if one exists - to discontinue its negotiations with Asea Brown Boveri Pty Ltd. The Government took away ABB's mandate for a built, owned and operated 600 MW coal fired power station and in its place proposed a 300 MW Government funded and constructed coal station. We now see on the basis of the graph published in *The West Australian* this morning the smaller station will produce power more expensively than would have a 600 MW coal fired power station. This Government has made a decision that will create power on a cent a kilowatt hour basis more expensively than the power station it dropped in its Cabinet decision. The Opposition will remind the public in the next few years of the extra costs created by this Government's decision making.

I remind the House of what this Government has thrown out as this may be the last opportunity in this Parliament that I can do this. We had a great opportunity to turn around the energy scene in this State. A coherent strategy was developed, of which the built, owned and operated 600 MW station was a central element. Firstly, it has thrown out a new power station that would have produced power at 4.8¢ kWh over a 30 year life of that project.

Mr C.J. Barnett: What is the substantial rate?

Dr GALLOP: That is the rate over the life of the project.

Mr C.J. Barnett: What are the actual rates?

Dr GALLOP: The Minister knows the actual rates and he has also been spreading unbelievable red herrings about refinancing. Secondly, the larger station would have meant coal prices that we had never seen in Western Australia before. The marginal cost of power from that new station would have put us in the league of the Eastern States coal fired power stations because of the second main feature of the strategy - a new coalmine in Collie delivering coal at approximately \$30 a tonne. We would have had coal delivered in our energy system cheaper than the coal going into some of the power stations in New South Wales. Thirdly, we would have had a new operator - National Power from Britain - with new arrangements for organising work. The sorts of arrangements that the Australian Services Union has negotiated with Mission Energy in the Loy Yang project, which have meant multiskilling and work practices that have put Australia right at the forefront of energy productivity, have been sacrificed.

Fourthly, the international financial community would have had a direct and vested interest in the future of Western Australia. The Government threw out that. Fifthly, we would have seen a proper risk transfer. ABB would have taken the financing, construction and operating risk. All SECWA would have had to bear was the market risk; yet the Government has the gall to talk about take or pay. What it is now accepting is better than a take or pay; it is a make, a take and a pay contract. All the risks in the project will be borne by the public sector. Sixthly, a source of secure power would have been available to enable us to attract new industry to this State in the 1990s. On what basis will investors come into Western Australia under the energy policy of this Minister and this Government? No new energy generation will occur until the end of century according to this Government. What investors will be interested in major value adding projects? This Government is a joke. It has no faith in the State of Western Australia. It shows the same lack of faith that this Minister had when we were trying to get the Goodwyn A project off the ground in this State. He was one of the individuals in the Western Australian Confederation of Industry at the time who ensured that that project went overseas. This Minister has no faith in this State.

Finally, the Government has thrown out the possibility of a radical program of debt reduction and tariff reduction in the 1990s which would have resulted in electricity charges at the end of this decade being competitive in Australian terms, and very much better than those in most other countries. The Government has thrown out the possibility that we could have run our existing system hard this decade and could have then brought in a new power station in the context of much lower tariffs.

I now turn to the linchpin of the strategy of the former Government that has been thrown out. Collie gave us a strategy both direct and indirect to reduce gas prices. At the end of this century the Government and the State Energy Commission of Western Australia would have been in a position to get a gas price that would have made a combined cycle gas station as the next major project look competitive against a coal fired station. However, this Government has thrown out the possibility of lower gas prices in our energy system. Let us get to the bottom line of the Government's decision making. The Government does not understand the meaning of the words ethics or morality. Asea Brown Boveri entered into this project in good faith. It delivered its side of the bargain when expressions of interest were called and, indeed, SECWA extracted a good deal on behalf of the State of Western Australia. In good faith ABB expected that that process would be taken through to finalisation this year with the power purchase agreement and the State agreement. Last year every indication from the members now in Government was that they supported this project. At no time did they say that we needed a smaller or publicly funded project. All along they said that they supported the 600 MW project. Indeed, they said that we needed to bring it on a bit quicker because the State would require the power for growth in the 1990s. However, the game was about to come to an end when the Government changed the rules. It pulled the rug from underneath ABB at the very end of the decision making process. How can our State go out into the international community and say that we act honourably and with morality in our dealings with business after the actions of this Government?

Let us consider the consequences of the Government's decision. This Government has taken SECWA and the State of Western Australia into a legal mine field. It does not seem to understand the consequence of what it has done. The Minister for Energy says that no legal complications will arise in this issue. If Government members think that no legal implications will result from the decision they made on Monday, they are absolutely and utterly mad. If that was the advice given to the Government in its decision making process I severely question the nature of the people who gave that advice. Do members opposite expect that ABB, after spending what would appear to be between \$50m and \$100m on this project, will just cop it and then go away even though it has spent all that money? Will they say it is okay simply because the Government has made its decision? If members opposite think that will occur, they are mad. The advice they received is not just from Mars - as John Clarke said about Jeff Kennett - but from the other side of Mars. That is the nature of the advice that the Government receives. It worries me even more that the Minister does not even understand the immorality of the process he has followed in shafting this project.

The Minister for Energy has acted disgracefully since he took up his position as Minister in February. The way he has undermined his Cabinet colleagues, ABB, and this project before a Cabinet decision was made is an indication that the Minister has no shame or morality. The Minister has such arrogance that he does not understand the necessity of teamwork in politics. One of my Council colleagues who represents South West Region got this Minister wrong. He said that he was in the pocket of the gas lobby. He is not in the pocket of the gas lobby; this Minister is so far up himself that he is in his own pocket.

#### *Withdrawal of Remark*

Mr C.J. BARNETT: I ask that the member for Victoria Park withdraw that remark; it is unparliamentary.

The SPEAKER: I ask the member for Victoria Park to withdraw that comment.

Dr GALLOP: I withdraw it.

*Debate Resumed*

**Dr GALLOP:** The second complication which has resulted from this decision is total uncertainty about power generation in Western Australia in the 1990s. The figures indicate that from June last year to June this year electricity demand in Western Australia has increased by six per cent. All of the Government's publications state that this State will have rates of economic growth of five per cent in the 1990s. With those rates of economic growth we will not be able to wait until the end of the decade before we get new capacity into our system; this State will require new power generation in the 1990s. All of the facts and figures put forward by this Government about the debt reduction strategies which will occur in the 1990s will be falsified quickly because the Government, even at a minimum level, will have to purchase new gas turbines to meet some of that demand. Currently it takes two and a half years to get a gas turbine on line. If the Government is referring to a combined cycle, it will take even longer. This decision is a non-decision. More decisions will have to be made about power generation within the next 12 to 24 months if this State is to meet the energy needs that will exist for the remainder of the 1990s. More debate and more confusion will occur about the energy issue.

The third problem relates to the price of power. As the Government's own documents indicate, it is clear that this decision is not the least cost option on a cents per kilowatt basis. The Government has accepted a power station that cannot produce power as cheaply as the ABB proposal. I have calculated in a fairly crude way the consequences of every addition on top of the ABB tariff. If we assume 300 MW of power over 30 years, every 0.1¢ added in terms of the cents per kilowatt cost will add about \$75m to the project. The Government has accepted a project that will cost, for every 0.1¢ that it adds to the 4.8¢ of the ABB project, an extra \$75m that the people of Western Australia will have to pay in power costs. What, then, of the Minister's comments about take or pay? Do members know what the 600 MW ABB project represented in a take or pay contract compared with the North West Shelf gas project take or pay contract? It represented one-third in energy terms of the take or pay contract that the former Liberal Government entered into in the late 1970s and early 1980s. Yet, the Minister has the gall to talk to me about take or pay contracts. The 600 MW power station project represents one-third of that take or pay contract. This Liberal Government has not come up with a take or pay contract on this development; it has come up with a make, a take and a pay contract. What a joke it is! All we have had from the Chamber of Commerce and Industry is a deafening silence. Can members imagine what would have happened if a Labor Government had said it would do what this Government has done? What would Hugh Morgan have said? What would the Chamber of Commerce and Industry have said? What would the Chamber of Mines and Energy have said? All we have heard is deafening silence. It is about time they began to look at the realities of the decision that this Government has made and the implications of that decision on microeconomic reform in Western Australia during the 1990s. The deafening silence is incredible!

Once again there is uncertainty in Collie. If there is a group of people that I have come to admire more than any other in my time in politics it is the Collie community in general and the coalminers in particular.

**Mr C.J. Barnett:** The last time I went there they said that if you turned up in town again they would throw you to the bottom of the pit.

**Dr GALLOP:** That is right, because I told the truth to those people and they respected me for it. On behalf of the people of this State, they delivered a strategy that allowed coal prices to go down. They did it with honour and by negotiation. They did not shout, scream and threaten. That union's membership and its leader are some of the finest people in Western Australia.

**Mr C.J. Barnett:** They are very happy now.

**Dr GALLOP:** They are not very happy at all. What has this Government done? There will be no new coalmine. Where will the coal for a new 300 MW power station come from? Will it be split 50:50 between Western Collieries Ltd and Griffin Coal Mining Co

Pty Ltd? What will be the cost of delivering coal from those companies to the new power station compared with having a power station on the site of the new coalmine? All of the uncertainties that existed before in Collie have now resurfaced. It is all up for grabs again.

What is more, SECWA will be taking all of the risks associated with this project. What a joke this Government is! It preached to us about public debt and the need to transfer some of the risks involved in public sector infrastructure to the private sector, and what did it do? It decided on a publicly funded and constructed power station. What a joke it is in terms of microeconomic reform. I want the Government to tell us about the payment for this new publicly funded power station and the implications for our Loan Council borrowings. At the recent Premiers' Conference, Western Australia was allocated a \$590m borrowing allowance. What will happen in the next decade when this Government has to raise money not only for this project but also for the gas turbines that will inevitably come? Who will fund those? We know that they will be funded out of the public purse through the Health and Education budgets. That is who will pay for this power station. The Government has not come clean on that.

It is wrong for this Government to talk about a take or pay contract when a former Liberal Government entered into a take or pay contract on the North West Shelf which was much greater in its impact on the people of Western Australia than the Collie project proposed by the Labor Party would have been. This Government has thrown out the possibility of real reform of our energy industry. It did that because it accepted the advice of people in government, the bureaucrats, who have no faith in this State and do not want to bring about economic growth.

Mr C.J. Barnett: Who?

Dr GALLOP: The people in Treasury. They are very narrow in their thinking and have an accounting mentality. If we had accepted the advice of Treasury officers there would never be any economic development.

Several members interjected.

The DEPUTY SPEAKER: Order!

Mr C.J. Barnett: It is a pity you do not listen to Treasury instead of Laurie Connell.

The DEPUTY SPEAKER: Order! Once again there is a barrage of interjections.

Dr GALLOP: Once upon a time the Liberal Party represented economic growth and employment opportunities. It projected a vision for the State and tried to bring in resources to make that happen. By sacrificing the Collie project, the ability of this State to get further value adding in the 1990s has been dealt a severe blow. That is no surprise when one knows this Minister because we know his record on further value adding! We know where he comes from! What about the Goodwyn platform? I ask him to tell Parliament one day about how he shafted that project and made sure that it went to Indonesia. We know where he comes from. He does not represent the broad community of Western Australia.

In summary, this decision indicates that this Government has no idea about ethical behaviour. The way it has dealt with ABB is a disgrace. The Minister used this issue to shaft his National Party colleagues in the media rather than in Cabinet. That was a disgrace. It staggers me how the National Party put up with it. He shafted the commitments that the National Party gave to its electors. It is indicative of a person who does not understand morality and it will catch up with him. It has been my experience in politics that if we think that the numbers are all that matter, we come unstuck. This Minister will come unstuck.

The decision on the Collie power station also indicated the complete lack of faith of the Government in the future of our State. I challenge the journalists in the Press Gallery to ring Sir Charles Court and ask him what he thinks about the decision to build a 300 MW power station to service the needs of this State beyond 2000. I would be interested to know what he thinks about that. He had the ability to look ahead and build the infrastructure for development in this State.

This Government has no vision of an energy system. The 600 MW built, owned and operated project was part of a strategy which included a new coalmine to supply \$30 a tonne coal. That new power station would have placed pressure on the price of gas so that we could start to get a serious price for gas from the North West Shelf instead of the price that the former Liberal Government set when it was in power. The Opposition, when in Government, had a vision to bring about changes, but those changes have now flown out the window. The Government has stopped the clock on energy reform in this State.

Fourthly, we have before us a half-baked decision. It might even be a half-arsed decision, as my colleague the member for Kalgoorlie said this morning about some of the Government's policy decisions. This half-baked decision has been thrust down the neck of the State Energy Commission of Western Australia.

To conclude my remarks I will quote what the Premier said on 3 February 1993 when he was the Leader of the Opposition -

There's a whole heap of nervous Nellies in government. After the WA Inc. years and particularly after the PICL years, everyone has become nervous - even the smallest projects - you've got to have confidence in where you see the state going.

People get bogged down into a Collie power station dispute. I look at it differently. We currently have in this state about 2600MW of generator capacity in the south of the state. During the 70s and 80s we had growth occurring and in the early part of the 80s it continued on from the 70s and we have growth occurring at quite a considerable rate to the point it wasn't uncommon to have 8, 9 per cent growth. And if you look at those figures, you're going to be needing to increase your capacity about 200MW a year in round figures.

In the past three years, the demand has levelled off and so if the demand stays the same, we don't need any more power stations, we can just continue with what we've got, we can add a bit more gas, and so we don't have a problem.

But that's going to turn around very quickly. You've got factories who normally work three shifts, they're currently working one shift.

I spent last week looking at the mineral sands industry and when that industry picks up the demand for electricity will be significant. To continue -

When an economy picks up these processing operations start switching on to two and three shifts. The power demand then starts moving back into this growth position. And that's where we've got a problem.

Because we've currently got very fine margins in our generator capacity, the supply and demand situation is very fine and the way we've looked at the planning is that we can easily absorb a 600MW coal-fired power station.

That is what the present Premier said to the people of Western Australia; that is what the Liberal Party said to the bankers in Zurich, Japan and Britain; and that is what the Liberal Party said to Asea Brown Boveri only three days prior to the last election. I remind members that this Premier said on 3 February this year that we could easily absorb a 600MW power station. The Government has pulled the rug from underneath the bankers and ABB. It is an absolute disgrace and if this State has to pay compensation because of that decision the Minister must resign.

[The member's time expired.]

**MR RIPPER (Belmont) [12.53 pm]:** Last year the Lawrence Government introduced the Social Advantage package which was based on the theme of prevention and early intervention. In other words, if investments are made now to head off future social problems the results for the State will be beneficial, both socially and financially. The key strategies were to work with local communities to formulate solutions for local problems, to provide support to parents and families and to provide high quality services for young children. The two objectives of the key strategies were to improve the social

and financial circumstances of this State. It is better to invest now in prevention than to wait for a crisis to occur and then deal with it. It would be an advantage to use resources now to build a sense of community to head off future social problems.

I regret to advise the House that the philosophy of that Social Advantage package is under threat because the Minister for Community Development will not back the initiatives in that strategy. The Minister says that we must concentrate on core functions. The problem is that the Department for Community Development's core functions are about crisis work. If the department is allowed to deal only with its core crisis work we will not achieve the quality of life this community deserves. It is better to provide quality services for families - parents and young children - now rather than provide juvenile justice services and refuges for teenagers who go off the rails later. Our youth would have greater equality of opportunity if we made the investments in family support, parent education, children services and community work, all of which were embodied in the Social Advantage package.

The Minister already has it wrong when it comes to dealing with crisis work. He has replaced the system of emergency financial relief with what he calls a family crisis program. To receive assistance when a family is in crisis, the adults are compelled to undertake financial counselling. It is wrong in principle because it is not effective to compel people to undertake counselling. Successful counselling requires a client to come forward voluntarily. This program is an insult to those low income earners who have successfully managed their finances for many years, but due to unforeseen circumstances are now in financial crisis. To overcome that crisis they require immediate financial assistance, not financial counselling. It is also wrong because many financial counselling agencies have waiting lists of between two and six weeks. If someone is confronted with an unforeseen financial crisis and he does not have the means to feed his family he should be able to go to the Department for Community Development and receive assistance. Now he must receive financial counselling before he receives any assistance and the waiting list for financial counselling could be between two and six weeks. He will not receive the assistance he needs. This hurdle deters people from approaching the department in the first place. The Minister's program will result in increased pressure on the non-government agencies to provide financial counselling, when they already have long waiting lists.

People who find themselves in a crisis situation will not receive assistance from the department for two reasons. Firstly, the Minister has reduced the budget for direct financial assistance to people in unforeseen financial crisis by \$1m. Secondly, by virtue of the requirements the Minister has imposed, low income earners will be deterred from approaching the department for assistance. I am sure that when the figures for the actual amount of assistance delivered by the department are released they will be substantially lower under the Minister's family crisis program than they were under the previous emergency financial assistance program.

The Minister said that financial assistance budget was cut to provide for additional financial counsellors, but to date the Minister has not been able to advise how many counsellors will be employed. Recently I put a question on notice to the Minister, and his unhelpful reply stated that until the new program was assessed it was not possible to advise how many full time equivalent financial counsellors would be funded by the Department for Community Development. I also asked at which agencies the additional counsellors will be located and I received a similar unhelpful answer. In other words, the Minister cannot advise how many financial counsellors will be employed and where they will be located.

The program has been operating for a month and in that time people have been required to receive financial counselling before they receive financial assistance. However, no new counsellors have been appointed and the Minister cannot provide any information about the number to be appointed, where they will be located or when they will be appointed. Thus some doubt surrounds the credibility of the Minister's commitment to appoint additional financial counsellors.

*Sitting suspended from 1.00 to 2.00 pm*

[Questions without notice taken.]

**Mr RIPPER:** I was emphasising the prevention and early intervention aspects of the Social Advantage strategy to avoid later crises in social relations and the need for expenditure to resolve those crises. I mentioned that the Minister for Community Development had messed up the department's approach to crisis work for those people facing unforeseen financial crises. The news in the area of prevention is worse.

Some matters have become apparent through the Minister's answers to questions I have placed on notice. I asked the Minister for Community Development whether community groups could still apply for Social Advantage grants through the Department for Community Development. I regret to say that the Minister's answer was no. Social Advantage grants came into being as a result of amalgamating a number of separate grants schemes; for example, Family Foundation, women's interests, seniors and ethnic and multicultural grants. The Family Foundation provided grants for community groups for one-off projects that would enhance community and family life. Grants allocated under the Women's Interests portfolio were to encourage the participation of women in community and public life. Grants for seniors were to encourage, for example, activities to promote intergenerational relations. Grants for multicultural and ethnic affairs projects were to enhance harmonious community relations; for example, funding projects like community concerts and anti-racist training for youth workers and events associated with refugee week. The Social Advantage grants resulting from the amalgamation of these different grants categories had many benefits. They encouraged community initiative and innovation. They helped to build a sense of community, to foster local solutions to local problems, and to give the community the ownership of those solutions. From the point of view of the State Government they provided value for money. Hundreds of community groups benefited by receiving small amounts of assistance from the State Government to enable them to get a project off the ground. The community gained a great deal of benefit and value for money from those Social Advantage grants. It is very disappointing that these groups will now find there is no assistance from the State Government - yet there has been no announcement from the Government.

The Minister has not issued a press release to say that groups will not be able to apply for these Social Advantage grants. In fact, it was only discovered as a result of an answer the Minister gave to a question on notice. This is a most retrograde step which will reduce our effectiveness in preventing social problems and in promoting a sense of community, and reduce the sense of ownership people feel for the social circumstances which apply in their community. This is not the only area in which we have seen backsliding from the Social Advantage philosophy.

I asked the Minister for Community Development a question on notice about what funding the Centrecare agency in Kalgoorlie would receive to provide domestic violence counselling services in 1993-94. The Minister replied that funding for domestic violence programs and initiatives administered by the former Office of The Family was currently under review. That is a very worrying situation because we must continue those initiatives for the prevention of family and domestic violence. One initiative of the Social Advantage package was a program to spend \$500 000 over three years to combat alcohol abuse and family violence in Aboriginal communities. That was to be implemented through a series of grants to Aboriginal community organisations. About \$85 000 of that \$500 000 was to have been spent in the last financial year, but none of that money has been spent. In other words, no action has been taken on that very important Social Advantage program to assist in combating family violence and alcohol abuse in Aboriginal communities. Another initiative funded through that branch -

**Mr Bloffwitch:** I am familiar with the services available in Geraldton and I am not aware of any specific domestic violence program for Aborigines.

**Mr RIPPER:** Under the Social Advantage package last year the former Government announced a program to combat alcohol abuse and family violence in Aboriginal communities. That program was to be conducted by community groups receiving grants



from the Department for Community Development. However, the grants were never advertised, the money was not expended and the program never got off the ground. Once again, we have seen inaction and stagnation in this area under the Minister for Community Development.

The second initiative is the provision of funds for agencies providing counselling for victims and perpetrators of domestic violence. Approximately \$380 000 was allocated to those agencies. However, that is one of the initiatives under threat under this Minister for Community Development. The most significant and worrying aspect of the Minister's inaction on family violence is his refusal to proceed with the recommendations of the Domestic Violence Advisory Council that the Government bring to the Parliament new family violence legislation. That initiative was supported in public comment following the circulation of a discussion paper by the advisory council. However, the Minister advised a domestic violence action group that the legislation would not proceed because he believed that current legislation was adequate.

Mr Nicholls interjected.

Mr RIPPER: The Minister, who makes charges of hypocrisy, is quite wrong. That proposal for legislation was endorsed by the previous Government which intended to proceed with its drafting.

Mr Nicholls: Are you saying you had a Bill? You are misleading the Parliament; there was no Bill. What a joke!

Mr RIPPER: If the Minister listened to me he would have heard what I said. The former Government endorsed the proposals.

Mr Nicholls: You said you had a Bill.

Mr RIPPER: I did not say we had a Bill; I said that we had endorsed the proposals. We were intending to draft legislation and bring it before the Parliament. The Minister put the kybosh on it and said that no family violence legislation would be introduced. He said that the legislation was not necessary, which was contrary to the recommendations of the Domestic Violence Advisory Council and contrary to the public support for those recommendations. That decision also runs counter to the experience and knowledge of all of those who have anything to do with family violence. The Minister should speak to the police officers and others who deal with family violence. They will tell him that this issue must be combated by treating it as a criminal matter, by giving the police additional powers and by educating the police officers and the community about the criminal status of this activity. If the Minister takes no action and does not introduce family violence legislation into the Parliament, he will be standing by while thousands of people are assaulted in their own homes. They will not be offered the protection of this Parliament because the Minister has a rigid ideological attitude on this matter. If the Minister were to have a discussion with the Attorney General he might find that he does not have the full support of his Cabinet colleagues on this issue. I believe that people within the Government would not share the Minister's ideological views and would recognise that the recommendations of the Domestic Violence Advisory Council have a great deal of merit. This issue will not go away.

Mr Nicholls: I have never said that it does not have merit.

Mr RIPPER: The Minister has said that he will not proceed with the legislation.

The SPEAKER: Order! As the Minister knows, I allow interjections; however, if the interjections are lengthy, they require an acknowledgment from the member on his feet. In this case that is not always occurring. I also bring to the Minister's attention that some of his comments are repetitive. All of the people in this place have marvellous memories and do not need to be told something twice, I hope.

Mr RIPPER: I invite the Minister for Community Development to make a full ministerial statement to this House on the Government's domestic violence policy. He has indicated that he has something to say on the matter. He has stalled some worthwhile initiatives which would help us to combat this scourge. He has stalled funding initiatives

and is now adopting a weak position on the legislation recommended by the Domestic Violence Advisory Council.

Mr Nicholls interjected.

Mr RIPPER: Rather than the Minister for Community Development interjecting on my speech and taking up my limited time, I suggest that he make a full ministerial statement to the Parliament on the Government's policy on family violence under the standing order which allows ministerial statements a time limit of 20 minutes. He should provide the Opposition with a copy of that statement in advance. Members could then see where this Government stands on family violence.

Mr Nicholls: You did nothing in 10 years.

Mr RIPPER: Will the Minister make a ministerial statement to this Parliament?

Mr Nicholls: We are working through the issue of domestic violence. The member who was the Minister of no action and press releases is a joke because he did nothing in his time as Minister. He is now trying to make a martyr of himself. That is hypocrisy.

Mr RIPPER: The Minister is quite happy to interject, but when he is invited to bring to this Parliament a statement of his Government's policy on family violence he will not agree to do so. The Minister's stand on family violence is no policy, no action and no commitment. That stance will come back to haunt him because the time has arrived for this issue to be addressed. This is an issue about which great concern exists in the community and on which the Government's inaction will not wash with the public.

One of the best methods of preventing social problems is to provide support for families and, in particular, services for young children. One of the most important services for young children which we can provide, and which is also a practical form of support for families, is child care. The Lawrence Government had reached agreement with the Commonwealth Government for a program of expanded child care provision in Western Australia. Under that agreement, over the next four years from 1992 to 1996, 940 extra places were to be provided in long day care, 940 extra places in family day care, and 2 850 places in out of school care. The agreement further provided that 200 of the long day care places were to be provided in 1992-93; 160 in 1993-94; 200 in 1994-95; and 380 in 1995-96. That timetable is important because the agreement also stated that the Commonwealth reserved the right to cancel that agreement if the timetable was not met. I have asked the Minister for Community Development what is happening with the implementation of the agreement to provide expanded child care provision in Western Australia. The answer I received to question on notice 281 stated in part -

... the implementation timetable and funding implications of the strategy are under consideration in the budget ...

In answer to question on notice 242 the Minister stated -

The development of any new child care centres including State Government funding is being considered in the Budget context.

We know that if 360 extra places are to be provided by the end of the financial year 1993-94, construction must begin immediately. However, the Minister is appearing to backslide on this matter, threatening the future of this agreement with the Commonwealth. The Commonwealth reserves the right to cancel this agreement if the timetable is not met. The Minister should make clear the Government's commitment to additional child care places because this form of practical support for families is required by many families. It is also important to provide a quality experience for young children. The area of child care is not the only area in which services for young children are threatened.

This Government has taken a similar approach to the previous Government's family centre program. The Lawrence Government made a commitment to build and fund 24 new family centres over the next three years to add to the existing 40 centres. The total cost of the program was \$8m.

Mr Tubby: Do you expect us to honour your commitments which were blatant pork barrelling?

Mr RIPPER: I advise the member for Roleystone that the additional family centres were to be built at Quinns Rocks, East Heathridge, Ocean Reef, Padbury, Westfield, Spearwood, Jandakot, Mt Hawthorn, Alexander Heights, Greenwood, Canning Vale and Hedland. An additional three centres were to be established in the country, three in the East Metropolitan Region, three in the South Metropolitan Region and three in the northern suburbs. The location of the centres was to be determined on a needs assessment. It is interesting that the member for Roleystone said that because it was the previous Government's promise this Government does not have to honour it.

Mr Tubby: I did not say that. I asked whether you expected this Government to honour your pre-election promises.

Mr RIPPER: The coalition promised a \$5m program for the extension of family centres in its policy document. I would like to know what happened to that promise. Once again, we find that this Minister is not prepared to make a definite statement about the future of the family centre program. In answer to question on notice 224 about the current status of the family centre program he said -

Until such time as the outcome of the task force is known, no decision will be made about -

- (a) future funding levels;
- (b) the building program; . . .

Mr Nicholls: Do you support that? Do you think we should make decisions without waiting for the outcome of that task force?

Mr RIPPER: The family centre program outlined by the Lawrence Government should be continued.

Mr Tubby: It provided education for four-year-old children on the cheap.

Mr RIPPER: This is further evidence that the program is under threat by the Government. The Minister responsible will not commit himself and the Parliamentary Secretary, who assists the Minister for Education and has an involvement in the program, says that it is education for four year olds on the cheap. The member's interjection illustrates that I am correct in suggesting that this program is under threat. I have mentioned some elements of the Social Advantage strategy which have not been proceeded with or are under threat by this Government. It is obvious that the philosophy of prevention and early intervention is at risk.

Mr Nicholls: Your comments are a disgrace. It is a joke.

Mr RIPPER: If it is a joke, I ask the Minister to tell me how the abolition of Social Advantage grants contributes to the maintenance of a preventive philosophy. If this Government is committed to prevention, early intervention and providing solutions to local problems why has the Minister cancelled the grants program which provides for that to happen?

Mr Nicholls: I do not believe the grants program does that.

Mr RIPPER: Hundreds of community groups disagree with the Minister and they will be disappointed when they find they will not receive minor Government assistance to enable them to proceed with worthwhile projects which advantage and enhance community life. The family centre program is under review and threat. The implementation timetable for child care provision also is under review and threat and may even threaten the State's agreement with the Commonwealth Government. Initiatives to prevent domestic violence are under review and money which should have been paid to community groups to implement those initiatives has not been paid.

Mr Nicholls: That is not true.

Mr RIPPER: Has money been paid out under that program to promote the prevention of domestic violence and alcohol abuse in Aboriginal communities? The Minister is happy

to interject in an abusive way, but he will not answer the questions I have asked him. He does not intend to proceed with the domestic violence legislation. The Minister will not give any commitment to maintaining a separate domestic violence policy and research branch in the department. It is very important that we focus on prevention and early intervention in social policies. It is also important that we seek to work with communities, support parents and families, and provide assistance to young children. It is the best way to overcome future social problems for the people involved and in relation to the expenses borne by the taxpayer.

The Minister's inaction and refusal to proceed with the existing Social Advantage measures pose a threat to prevention and early intervention. As a result of his intention to concentrate on core activities and his rigid ideological attitudes, the community will pay dearly in future social problems and the erosion of equality of opportunity for disadvantaged young people in our society.

**MRS HALLAHAN (Armadale) [2.56 pm]:** I will refer to some very important developments in the electorate of Armadale; firstly, to Bungendore Park.

**Mr Tubby:** It is not in your electorate. It is in the electorate of Roleystone.

**Mr Nicholls:** A bit of fudging!

**Mrs HALLAHAN:** I concede that the member for Roleystone is technically correct. However, in view of the Armadale community's commitment and involvement in reserves like the Bungendore Park I will refer to it. It illustrates that the arbitrary boundaries which are drawn through the centres of communities sometimes create a problem for members.

**Mr Tubby:** I am getting used to you wandering around my electorate.

**Mrs HALLAHAN:** I concede that there are some areas of interest shared by the member for Roleystone and me, as the member for Armadale. Nonetheless, I am sure members will agree that the work carried out by community based committees is very important.

The Bungendore Park management committee has been in operation for over 12 years and for 10 of those years was chaired by a person who was a councillor and the mayor of the City of Armadale. I refer to Ian Blackburn. He has now retired from the council and is a freeman of the City of Armadale. The committee has developed an accurate profile of the vegetation, wildlife, bird life and even frog life at Bungendore Park and the need for further rehabilitation and work to be undertaken there.

**Mr Tubby:** It was nice to see you planting trees there. You were well dressed. The first time I attended a tree planting at the park I thought it was a ceremonial function and I turned up in a suit.

**Mrs HALLAHAN:** I do not want to say anything about the member for Roleystone which is not positive, but I may provide a copy of my speech to the people in the electorate. The member for Roleystone will come to terms with the fact that the business of the committee largely involves tree planting and not ceremonial occasions.

Within Bungendore Park are 10 gravel pits. An enormous amount of work has been undertaken to rehabilitate the area. I have been impressed by the work that has been done in identifying local vegetation and seedlings in order to return the area to one of local vegetation. The regeneration of the gravel pits has been remarkable, particularly in the areas where the soil was first ripped. Plantings have been done by parties of school children, committed adults and local parliamentarians descending upon those areas and planting trees, because they are much easier to plant than the areas where ripping has not occurred. This regeneration requires much work related to the propagation of seedlings and the preparation of schedules for the day so that there is an orderly approach in organising the many people who give their time voluntarily. The project is well supported by the City of Armadale; it has a good profile and receives support from local businesses and large companies such as Alcoa of Australia Ltd, the Lions Club and the Department of Conservation and Land Management. On the last occasion I visited the area I made a tour of Bungendore Park, and the party was joined by scientists from the Western Australian Museum who provided expert knowledge on the flora and fauna,

from which the people present greatly benefited. We viewed the evident revegetation and were told of the work that needed to be done. At present the Bungendore Park committee is chaired by Councillor Ken Mackay, who is a new councillor for the City of Armadale and who is showing great enthusiasm and energy for the task of the management committee rehabilitating this park.

In years to come Bungendore Park will provide a significant breathing space for wildlife and flora and fauna generally. It will add to the many tourism attractions offered by the Armadale area. A tourism committee is working actively in the area. The activity of these two committees is complementary to the tourism development endeavours now being actively pursued. Settlers' Common has had a management committee for a period of four years. The former Mayor of Armadale, Ian Blackburn, was chairman of that committee for three years. The current chairman is Councillor Tony Cutri from the City of Armadale. This committee is also enjoying good support from the community, CALM, other Government departments and community groups.

The one group central to both committees is the Armadale and Kelmscott wildflower society which is engaged in the propagation of all the required plants to allow the replanting to take place in harmony with previous and existing vegetation in these two parks. Recently the Settlers' Common management committee was pleased to hold a special occasion on which the management plan document for reserve areas and parks of this type was launched. The author was Brett Tizard, a local young man who has put together a practical document on the things one must consider if one is to provide sensible management of such areas so that they become places where people can go for passive recreation generally but in a way that will not endanger the natural attributes of the area. I believe Brett Tizard's work has received great recognition. This is again an indication that people are well behind both these management committees and their rehabilitation work which is valuing the local flora and fauna, and realising that these are marvellous opportunities to rehabilitate areas which will enhance Armadale and the surrounding region.

Former Mayor of Armadale, Ian Blackburn - who I suppose now sees himself as retired but who is engaged in many community activities - is still Chairman of the Araluen Park Management Committee and takes a great deal of pride in his work, as he does in the development of the Settlers' Common and the Bungendore Park management committees. He has a long commitment to, and has had industrious involvement with, both of those committees. He has brought to them strong support from the City of Armadale. The committees have some rather ambitious plans for the future including incorporating the Wungong Gorge area into Bungendore Park. That would link with the land acquired by the Perth Zoological Gardens Board on the old Quo Vadis land - the old Plaistowe homestead which has been renovated and is now the centre of activity for the endangered species program and activities that the Perth Zoo cannot sustain at its South Perth property. Therefore the prospect arises for a very large reserve of great significance to be established in the future.

On behalf of the people of Armadale - and, I am sure, of those who live in the adjoining seat of Roleystone also - I give a vote of appreciation to the people who have had the vision and been prepared to put in the many hours and much work necessary to establish these two important areas and advance them to a stage where people are appreciating their value. I have no doubt that in future they will enjoy greater and greater support for their work.

**MR COURT** (Nedlands - Treasurer) [3.08 pm]: I thank all members for participating in the Supply debate, which provides one of the few opportunities in this Parliament for members to speak on a wide range of issues, particularly those affecting their own electorates. I thank all members for their contributions and the member for Belmont for assisting in this matter, as the Government is keen for this Bill to reach the Legislative Council so that it may pass, thereby providing the money to facilitate the running of this State.

Question put and passed.

Bill read a second time.

*Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Court (Treasurer), and transmitted to the Council.

**TREASURER'S ADVANCE AUTHORIZATION BILL***Second Reading*

Debate resumed from 1 July.

**DR LAWRENCE** (Glendalough - Leader of the Opposition) [3.10 pm]: I would not normally bother to speak on a Bill of this kind, but I wish to draw to the attention of the House what I regard as a very considerable affront to the House, one which is also contained in the Supply Bill. I did not comment on that earlier, but I will now. The Treasurer's Advance Authorization Bill makes certain payments and advances to specify a limit for the payments and advances so authorised for the financial year. This Bill is in very much the same form as that which has come into this House in previous years, with the exception that in clause 2(2) the observation is made that -

If this Act receives the Royal Assent before the *Financial Administration Legislation Amendment Act 1993* receives the Royal Assent this Act comes into operation on the day on which that Act receives the Royal Assent.

In other words, this Bill, in the way it is written, depends on the passage through this Parliament of a Bill which has not yet been debated, nor passed. That Bill, in any case, is retrospective and it is that retrospectivity about which I intend to complain.

The Financial Administration Legislation Amendment Bill proposes to establish, among other things, the consolidated fund, and the consolidated fund is referred to in the Treasurer's Advance Authorization Bill. Apparently, we in this Parliament are required to pass a Bill that is formed in part on the basis of another Bill which has yet to be taken through the Parliament. The double offence is that the Financial Administration Legislation Amendment Bill is itself retrospective. This Government has made a very considerable habit now of preparing retrospective legislation, and in this case we have a double whammy because we have the Treasurer's Advance Authorization Bill being dependent on a Bill which has not yet passed through the House and which, in any case, is retrospective. It takes back to 1 July the establishment of the consolidated fund and other matters which we will subsequently debate.

It is most important that this House remind itself of views that have been expressed on both sides of the House about retrospectivity. In my view it is not proper that retrospectivity should apply, especially for whole pieces of legislation which do not turn, for instance, on matters of taxation, where from time to time the day of announcement may be the day on which it comes into operation, or very rarely with some criminal matters, where the Parliament has made a mistake. That has been the view, for instance, of Hon Peter Foss, previously shadow Attorney General and now Minister for Health, and members here. I have read into the *Hansard* record before the very strong views being put by members opposite about retrospectivity, yet again we have in this piece of legislation and the one that will follow it - and I will make this point again when we debate that - the application of a Bill backdated. So we now have the Financial Administration Legislation Amendment Bill which applies from 1 July; we have the Bill to establish the Ministry of Justice which applies from 1 July - we have not even debated that yet; either; we have the decision on workers' compensation being made infinitely retrospective in the case of some workers who might have been injured some time ago; and we have the application of charges in relation to significant changes in the basis for water rates being made retrospective. We have retrospectivity, too, in relation to compulsory third party insurance levels being applied, again to accidents that have already taken place.

I ask the Treasurer as a matter of general principle how much of this we must bear. On how many occasions will the Government do this without so much as a by your leave? It

has become common practice and by now it is a very considerable affront to the Parliament. If it happened once it might be excusable; if it happened twice we might think the Government had other things on its mind; but in all the cases to which I have referred elements of retrospectivity have been applied. In the case of workers' compensation we have not yet seen even the form of a Bill.

Mr Court: Are you saying that the Treasurer's Advance should not be for the full financial year?

Dr LAWRENCE: No; the Treasurer should please listen. I am saying that this Bill depends on the establishment of the consolidated fund. Clause 2(2) is written in a form that requires the establishment of the consolidated fund. That is the Bill we will debate, presumably later today, but it is itself retrospective to 1 July. It is now August, yet we are being asked to agree to a Bill in the form of the Treasurer's Advance Authorization Bill which includes a reference to a change which has not yet been made and which itself is retrospective.

Mr Court: Don't be hypocritical. You have brought down a Budget in September which started on 1 July, but you did not say that was a retrospective Bill.

Dr LAWRENCE: The Treasurer's remark is the height of either ignorance or cuteness, and in either case it does not become him. In the case of the Budget there is already an appropriation - that is the purpose of the Supply Bill. It provides for the expenditures of the State, and departments and agencies are not allowed to undertake new expenditure or new programs in that period. It is only once the Budget applies the appropriation that new programs or significant changes to programs can be implemented, because this Parliament is the ultimate authority.

Mr Court: I have never heard the argument that Budget Bills are retrospective.

Dr LAWRENCE: The Treasurer is not listening. Clause 2(2) of this Bill has never before been included in the Treasurer's Advance Authorization Bill.

Mr Court: That is because we are bringing the accounts down in a consolidated form.

Dr LAWRENCE: What should have happened is that early in this parliamentary session, before 1 July - its date of commencement of operation - legislation to establish the consolidated fund should have been put through the Parliament. Then the Treasurer would not be in the clearly embarrassing position of bringing in both the Supply Bill and the Treasurer's Advance Authorization Bill which are based on legislation which has not yet been considered and which in any case is retrospective. It shows very poor management of the Government's business. As I said, one such instance might have been forgiven but the consistent application of retrospectivity - an application, I might say, since the Attorney General has just arrived in the Chamber, that has not been defended by someone who said she would be the conscience of the Cabinet - is not to be tolerated and members of Parliament should not have to stand by and have legislation, charges and regulations come into effect before they have had an opportunity in some cases even to see the legislation.

Although I do not, nor would I, seek to resist the application either of Supply or of the Treasurer's Advance Authorization Bill, I make the point very strongly that both of these Bills - like others that will be considered today, and I will make the point again - have, despite the Parliament's authority, been applied retrospectively, and that that application is one that Parliament should resist. It has been spoken against at length and fulsomely by members opposite, yet now they find it convenient, not just for a single clause but for whole and substantial pieces of legislation, to make it retrospective. It may be convenient, and the coalition certainly has the numbers in both Houses - we do not deny that - but on the other hand the respect for Parliament shown by the frequent use of retrospective legislation is clearly deficient. I urge members opposite, whether backbench or Cabinet, to show the respect the Parliament deserves and to insist that legislation be properly debated and passed through all the forms of this Parliament before it comes into effect. It may be convenient for the Government to establish a Ministry of Justice or to make workers' compensation changes without reference to the Parliament,

but in due course it will almost certainly bring this Parliament and this Government into disrepute, and it will be no surprise at all if people generally see the Parliament as nothing more than a rubber stamp.

**MR COURT** (Nedlands - Treasurer) [3.18 pm]: I thank the Leader of the Opposition for her comments in respect of this Bill. The Treasurer's Advance Authorization Bill is one about which we have had some lengthy debates in this House from time to time, because when we were in Opposition we believed that the Treasurer's Advance was misused on many occasions, particularly in relation to some of the payments made in respect of WA Inc deals. Those payments were made under the auspices of the Treasurer's Advance, which meant that they were not formally authorised by the Parliament until the passage of the following year's Budget. I find it interesting that the Leader of the Opposition raises the question of retrospectivity. If ever a Government misused the Treasurer's Advance Authorization Bill, it was during the 10 years of Labor Administration.

The Leader of the Opposition knows that we are implementing a number of changes in the presentation of Government annual accounts. The first change is the creation of a consolidated fund, which is the subject of the next order of the day. The next major initiative which we are starting to implement is accrual accounting throughout the Government accounting system; this system will take longer, but it will result in a truer cut off between two financial years. The consolidated fund will need to operate for a full financial year, otherwise it will be necessary to introduce two Budget Bills. The consolidated fund will make the situation clear, as in the past people were misled. This will not create a financial burden on anyone as it simply changes the way the accounts are presented. I thank the Leader of the Opposition for her comments and support for the legislation.

Question put and passed.

Bill read a second time.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Court (Treasurer), and transmitted to the Council.

## **FINANCIAL ADMINISTRATION LEGISLATION AMENDMENT BILL**

### *Second Reading*

Debate resumed from 1 July.

**DR LAWRENCE** (Glendalough - Leader of the Opposition) [3.23 pm]: This legislation enjoys the support of the Opposition, obviously, as it was developed during our time in office. The reforms it provides will not only make more appropriate and more transparent the funds applicable for various purposes, but also ensure that in some cases the funds applied are clearly indicated in the consolidated fund, as was not the case in the past. I shall refer to some key elements of the Bill, make some observations and provide some reasons for changes. However, this Bill is not entirely the Opposition's and I will move some amendments. I have not been able to put them on the Notice Paper today as we had a briefing from Treasury only yesterday. Nevertheless, I will do so at the appropriate time.

Effectively, this Bill will do three things: Firstly, it provides for net appropriations which apply to agencies or departments which by one means or another are able to raise funds, by which the agency may not necessarily have to return the funds to the consolidated fund and may apply them for other purposes. Net appropriations have become a feature of budgeting in other States, particularly New South Wales, about which I will make further comment. These are a necessary reform, but they also carry certain risks which I shall outline. Secondly, the Bill seeks to establish the consolidated fund, which brings together the consolidated revenue fund and the general loan and capital works fund. Consequential amendments are contained in the legislation to apply wherever references



are made in Acts to CRF and the general loan and capital works fund. On the face of it, these changes appear not to be contentious, but they contain risks to which I shall draw the attention of the House. Thirdly, the Bill proposes that certain revenues are dealt with in a different manner from current arrangements. This applies to hypothetical revenues, such as those in relation to the Lotteries Commission, the Healthway fund and the like, which will be paid into the consolidated fund rather than into separate accounts. The funds will be applied in the current manner, so this is an accounting arrangement. However, some concern may arise in this regard about the way we anticipate further issues which the Government may bring to our attention.

I turn now to the presentation of the State finances. This Bill is a welcome reform. The establishment of the consolidated fund should not be seen as the end of the matter. It is important for State Governments and Parliaments to be able to compare performances and to make international comparisons. I draw the Treasurer's attention to the fact that the consolidated fund in this legislation is not consistent with the Government finance statistics - GFS - basis which is used by rating agencies and recommended by the Australian Bureau of Statistics. GFS statistics are already provided in the Budget papers and should remain a very important part of the Government's reporting to the Parliament on State finances. If not, we will be unable to make comparisons with other States or compare our finances with international performers. That would be a considerable backward step.

The presentation of the Budget in the form outlined in this legislation will go some way to addressing a number of deficiencies which must be remedied. One of the key matters dealt with in the McCarrey report is the establishment of the consolidated fund. Importantly, simply joining the two accounts does not necessarily mean a better accounting system. I understand that in time the Budget will be constructed on an accrual basis as recommended by McCarrey. That should not be seen as a panacea, because changes with the consolidated fund must be more substantial than that. I presume that is why the Government is moving towards net appropriation.

On the face of it, net appropriation provides Government departments and agencies more flexibility than is currently the case. If an organisation raises revenue through "the provision of services, the sale, leasing or hiring out of goods or other than real property, or through the sale, leasing or letting of real property", they can, through agreement with the Treasurer, retain those earnings for specified purposes. Also, the amount of revenue retained can vary from almost zero to 100 per cent as the entire amount need not be allocated to a specific purpose. However, the weakness with the proposal is that the legislation contains no provision - I checked this with Treasury officials yesterday - for such agreements with the Treasurer to be reported to the Parliament, to appear in the Budget papers as an estimate for the coming financial year, or to be reported in the Treasurer's annual accounts. I shall seek to remedy those matters. The possibility exists with net appropriations that departments and agencies can skew expenditure without Parliament having a say. Importantly, net appropriations remove the activities of the departments or agencies from the purview of the Parliament; an agreement with the Treasurer is all that is required. If an organisation obtains funds from the sale of land or services, the funds can be retained within the agency without Parliament saying whether its expenditure should be applied as a priority in a certain manner as determined by the department or agency.

I would recommend to the Government that at the very least - I will seek to move to this effect at a later stage - both total payments and revenue using the net appropriations mechanism be reported to Parliament. That should not simply be left to the goodwill of the Government and should be incorporated in the Statute. In New South Wales, where a net appropriations system is used, there is a very full accounting of this mechanism. Departments and agencies are required - again, with a consolidated fund as provided in this Bill - to indicate everything from which they receive revenue, whether and to what extent they run down cash balances and other sources; for instance, grants from the private sector. This is done for both recurrent revenue and capital payments. The New South Wales procedures provide for a very detailed accounting, not only for the revenue raised but also for the expenditure of the revenue raised.

The reporting of such payments from all sources of the Budget estimates is a very important part of accountability. Without it, Parliament has no control. The point of appropriations is that the Parliament has control over expenditure. The Government of the day shapes the determination of priorities. By this mechanism, without proper accounting, departments and agencies could have that responsibility and might undertake activities that are not the priority of the Government of the day or the people of Western Australia.

In the system in New South Wales - one of the best examples to date of the use of net appropriations - the Treasury has maintained a degree of control over the expenditures by Government departments and agencies; but the controls are not specified in legislation. The New South Wales' controls appear to be done by a network of Treasurer's instructions. Without seeing those instructions, we in this Parliament cannot be certain to what extent those controls - which I believe are essential for any Treasury to ensure that proper controls over expenditure of revenue raising are maintained and also to set policy priorities - are applicable. It is most important that the Treasurer's instructions be made available as soon as possible to the Parliament and to the people of Western Australia.

The essence of this appropriation process - again I refer to the practices in New South Wales - is the concept that public money, money raised from direct taxation purposes, royalties and the like, can be expended only by the administrative arm of Government under the authority of the elective legislative arm. That is what the budget process is all about: The Government determines priorities; it says how it will use taxation and other revenue, and the Parliament agrees to that. In New South Wales that occurs for all but those revenues that departments and agencies bring in under net appropriations. There is a possibility of distortion.

There is no provision in the New South Wales legislation for departments and agencies to receive revenue from the sale, leasing or hiring out of goods or the sale, leasing or letting of other property. There would be a temptation for some agencies to make their own position more comfortable by selling off assets that should be the subject of much closer scrutiny. They can sell land and property. They can lease it. Although this is subject to general agreement with the Treasury, we do not know to what extent there will be control in that agreement over what can be done. A very real possibility exists that the revenues raised from the sale or leasing of property or the leasing of other goods would not be in the best interests of the State. They may be in the best interests of the departments, but other people may not agree that they are a priority. Some departments and agencies for their own convenience - I am not saying that the officers are determined in any way - might sell off assets, lease assets and earn funds in such a way that would distort the position.

In the second reading speech and in discussions with Hon Max Evans it was made very clear that part of the reason for this approach towards net appropriations - it is not one I share - is that it would give departments and agencies a much greater ability to charge the real cost for various services they provide. That is a policy decision; it is not an automatic response of Parliament, Government or agencies. For reasons of social benefit and legal equality, departments and agencies do not charge the full cost of the services; otherwise members of the community could not afford them and those services would not be available on a fair basis to those people who had least access to them. I refer to the costs of having access to the courts, of submitting various material to agencies, of having licences apply in agriculture, fisheries and mining where, if there was genuine full cost recovery, many people in the community could not afford to pay for those services. That is why I am determined - I would have brought it in had we remained in power - that there must be a full accounting of those agreements to the Parliament for the funds raised and the funds anticipated to be raised in the various papers that are presented. It is not sufficient for the Government to say, as I am sure it will, that it will report in due course in an appropriate way. We cannot simply sit back and say, "We will wait and see whether that occurs."

The other issue I want to address briefly is the hypothecation of revenues. I see that the Government has fallen significantly short on the recommendations of the Report of the

Independent Commission to Review Public Sector Finances, the McCarrey report, which I thought had become something of a bible for Government members. The hypothecation of revenue by Statute, according to McCarrey, is an undesirable process. Whether we talk about funds from tobacco licences or gambling, as they are applied at the moment respectively to Healthway and lotteries, McCarrey argues that should not be the case and those funds should be put directly into consolidated revenue.

This Bill simply puts them into the consolidated revenue fund and immediately reappropriates them for the purposes for which they are intended. By the way, I do not agree with Mr McCarrey. I think there is a role for hypothecation; but I am worried that some of the changes in this Bill may be a precursor to eliminating hypothecation altogether and that that revenue will simply go straight into consolidated revenue, and the Lotteries Commission, Healthway and the metropolitan region improvement fund could all be left to compete in the general budgetary process with all other departments and agencies.

While I think it is important that the Parliament not tie its own hands by too much hypothecation, nonetheless, there is a role for it, and in some areas it would be received extremely badly by the wider community if McCarrey's recommendations were to be followed through.

The third matter I will talk about is the consolidated fund itself. I will go into a little detail concerning what we have been told about the finances of the State of Western Australia and, in particular, the so-called deficits that we are supposed to have run on a consolidated fund basis. For some time I have been trying in a fairly dispassionate way to ensure that people in the community, in the media and elsewhere understand some of these Government finance questions. They are not easy and can easily be the subject of misleading information. They can easily be the basis for considerable deliberate misleading of the people of this State.

McCarrey claims that the bottom line is that there is a huge deficit which will blow out over the next several years. That assertion must be challenged. I do so on a number of bases. We will now have a consolidated fund. We have seen the first reporting by the Premier at the end of the financial year in which he stated that there was a very considerable deficit and that deficit was something about which the State should be concerned. I want to point out two things. The consolidated fund brings together the consolidated revenue fund which currently exists as well as the general loan and capital works fund, but it does not allow for the inclusion of any borrowings. It is net of borrowings. Unless borrowings for social infrastructure are opposed outright, the fact that the consolidated revenue fund runs a deficit, as it invariably will in those circumstances under our current system, is not, in itself, a sign of a problem in the State's finances.

Other States quite deliberately run a deficit on the consolidated fund because of an assertion that for reasons of intergenerational equity they will need to borrow for schools, hospitals and roads. The very lumpy expenditure required for a project such as the northern suburbs railway could not possibly be paid for in a single Budget or two from the recurrent revenues of the State.

There are serious pitfalls associated with using the consolidated fund, recurrent and capital cash financing requirements - the so-called deficit - as a basis for assessment of the State's financial management. For instance, ratings agencies, including Standard and Poor's, use a very different basis for assessment, derived much more directly from business accounting principles and from international convention. The Australian Bureau of Statistics uses the same basis as the Government's finance statistics so-called figures. It provides a much different picture from what is in the McCarrey report which uses a form of consolidated fund to assess the current and future state of Western Australia's finances. I will outline in some detail my concerns on this matter because it deserves to be on the record, even if it is extremely difficult to get some sections of the media interested in it. Firstly, the consolidated account, which we are now creating, of the Western Australian Budget, is obtained by combining the transactions of the

consolidated revenue fund and the general loan and capital works fund, with the important modification that funds sourced from borrowings or accumulated reserves are excluded from revenue. Those consolidated accounts have been published for some time. Although others have claimed there was a big secret about the State's finances, they have been published since 1989 in the form Mr McCarrey recommends and towards which we were moving, and which are now incorporated in this legislation. The figures have been available since 1989 to anyone interested in perusing them.

Again, I take Mr McCarrey to task on this point because he wanted to claim that one had to dig deep holes in order to find this information. However, they have been regularly published as part of the Budget papers. The excess expenditure over revenue on the consolidated account is known in financing circles as either a financing requirement or a consolidated account deficit. Whether one opposes a deficit on the consolidated account - the one we are now creating - in principle depends fundamentally on whether borrowing to help fund the construction of social infrastructure is opposed in principle. From statements made by the Government when it was in Opposition, as part of Fightback WA, as part of the statements Treasury has made since, and as part of the McCarrey report, we must conclude that the Government view appears to be that borrowings should be undertaken only to finance income producing assets where user charges cover the full cost of servicing any loans. That is certainly the position put in the McCarrey report, volume 1, pages 46 and 47.

Since the assets of the Budget sector agencies are by and large not income producing - schools, hospitals, main roads - this means that apparently the Government is committed to phasing out the deficit on the consolidated account. I believe targets have been set for that purpose. It is important that, in contrast, the Opposition accepts the principle of intergenerational equity, as I mentioned earlier, in relation to the financing of social capital assets. In other words, it is legitimate to borrow for non-income generating purposes, although it must be managed very carefully. Borrowing to cover a component of the cost of construction and social infrastructure - not all of it, which is the case at present - spreads the cost of that asset over the generations of taxpayers who will benefit from its use. No one generation is asked to bear the cost. If, for example, we had not borrowed in Western Australia to fund the pipeline to Kalgoorlie, water would never have reached that part of the world. It certainly took a long time to pay off that facility, most of which is not part of user paid services.

Mr Strickland: But you should not borrow for school maintenance.

Dr LAWRENCE: I am trying not to make assertions, but to present an argument that the Opposition does not agree with the Government on that point. Borrowings for purposes such as the public transport system, schools, hospitals, roads and the like will generate a deficit on the consolidated account, as we are creating it now. Everybody understands that. However, the Government apparently intends to do away with that altogether. The policy positions on that question around the country vary and are not consistent across ideological lines. Queensland, for reasons of history more than anything else - it has very poor services - does not have a deficit on its consolidated account. It has maintained a strong commitment, regardless of who is in Government, to funding social capital assets such as schools and hospitals from revenues rather than from borrowings, whereas New South Wales, in which there has been a very strong commitment to financial reform, to accountability, and to transparency in reporting of Government finances, is not of that view. I refer to Budget paper No 2 of the 1992-93 Budget where the Treasurer says that while the overall Budget deficit is assessed as being too high at present and reflects the impact of cyclical conditions and other factors - this is the important point - it is not necessarily appropriate to target a zero Budget result or a Budget surplus and that such an outcome would involve no net borrowings. That is the position the Premier has just confirmed he takes, and hence the funding of all social infrastructures from receipts. Consideration of intergenerational equity would support the need for a proper balance between contributions of current and future generations and hence a balance between receipts and borrowings.

Mr Strickland: It is a recipe for disaster. That is why we are in this mess.

**Dr LAWRENCE:** I disagree with the member for Scarborough. He has the all or nothing mentality. The New South Wales Government, which I regard as responsible in its approach to the management of State finances and which has been a leader in many respects in these reforms, clearly does not agree with that approach. It is not alone in that. The key tests applied by the ratings agencies who examine each State's position on borrowings are quite different. In the tests applied by Standard and Poor's to these deficits - remember we are talking about the consolidated account in which there is both recurrent expenditure and expenditure on capital - firstly, the impact of the Budget and any borrowings or deficits on the State's net debt position is considered. In other words, is it deteriorating, improving or stable and what is the flow on to interest costs? The test is particularly concerned with whether increasing percentages of the State's expenditure are being taken up with interest costs. The second criterion is whether the day to day expenses of running the Government have been covered by its earnings. That has clearly been the case in Western Australia for a very long time. The State has never had recourse to borrowings for its day to day earnings; that is, whether there is a surplus on the Government's operating or current account as distinct from its capital account. Since time immemorial I think we have had a deficit. In other words, every successive Government in this State to date has borrowed in order to generate social assets, including this Government's predecessors. The key question is, what is the position in relation to total expenditure? Is an increasing amount of revenue being paid on interest? Is the debt being properly managed? The committee which examined debt in Western Australia concluded, quite properly, that Western Australia's debt position was not, as has been suggested by members opposite, in some extraordinary position of blowout. Rather it was being properly managed and, with some improvements in management which the Labor Government outlined last year, it would be appropriate to continue in that way.

Members opposite have an ideological commitment to reach a position where the consolidated fund does not operate in deficit. However, that will cost the State dearly because it will be drawing from recurrent expenditure in order to pay for every little bit of the social infrastructure the State needs to create. Standard and Poor's makes the point that in a growing State such as Western Australia, with continuing needs for infrastructure to support both business and private consumption, to achieve what is being suggested by the Government would be to penalise the State. One of the things that has underpinned our very rapid rate of growth has been the provision of a high quality of service, to serve not only the people and families of Western Australia, but also businesses. These are not user paid services. The Government runs the risk, if it relies entirely on its recurrent revenue to fund capital, of diminishing its ability to provide services on the one hand and the appropriate capital needs of the State on the other.

Standard and Poor's and other rating agencies do not base their assessment on the consolidated fund presentations that I mentioned earlier. The establishment of this fund should not be seen as a sole basis for assessing the State's financial position. The Government finance statistics, the Standard and Poor's rating agency approach and the ABS figures must be regularly reported and compared with other States. These will allow international conventions to be applied. These are not international finance conventions being proposed to be incorporated in this legislation; they are a convenient way of bringing together the recurrent and capital expenditure and revenue raising of the State. The two should not be confused.

As I said, the McCarrey report substantially confuses these issues because it claims that both the Budget sector recurrent and capital accounts have consistently recorded a deficit. It says the deficit on the recurrent account would have been larger than recorded if one of transactions were excluded - that is the point I made yesterday - and that the deficit on the recurrent account in the past, and the forecast for 1993-94 and beyond, is largely due to ongoing Government spending commitments increasing faster than ongoing Government revenues.

Standard and Poor's assessment is very different from that. I again draw the Treasurer's attention to it because if he is relying on the McCarrey report as a guide for the future

financial decisions of his Government, he will have very serious problems in my view. For instance, the State's general government sector has actually consistently run an operating surplus in Government financed statistics terms. That excludes abnormal transactions, both revenue raising and expenditure, which must be done to be consistent. That has not been done over the last couple of years only; it has been done over the last decade. All of the publicly available statistics confirm that.

The other point that Standard and Poor's makes very strongly is that the general government net budgetary deficit remains modest - I spoke about that earlier - compared with the high capital expenditure in a growing economy. It is not concerned about that. It says also that the State's net tax supported debt, in other words, that which we have to pay out of the taxation and other revenue raised, is one of the lowest among the Australian States; indeed, this State is second to Queensland. Again, the suggestion that we were gradually blowing out the State's finances to pay more and more of our expenditure in the form of interest payments and having less and less available for the State's purposes is not true.

Mr Strickland interjected.

Dr LAWRENCE: The New South Wales Government disagrees with the member, Standard and Poor's disagrees with the member and it is time that we had a dispassionate debate about this. We are coming up to the Budget and this is a timely debate. We can talk about the consolidated account and how this particular way of recording the State's finances relates to Government finance statistics as recommended by the Australian Bureau of Statistics and used by Standard and Poor's and other rating agencies. Members should remember that their interest is in comparing one State with another, State and Federal Governments, and State Governments and the Federal Government here with those overseas. They are trying to maintain a global impression of the performance of States and States' finances. That gives a very different result from the one that is undertaken in the McCarrey report. I have to say, with due respect to Mr McCarrey because I have no argument with him personally, that the document that he has presented does not address some of the key questions and is deliberately blind, apparently, to many of the important qualifications that must be made if one is to make interstate and international comparisons. It is not good enough, as Mr McCarrey has done, to use the consolidated fund and the cash transactions therein as a basis for making assessments of the State's financial future.

I will make one further point in this matter because I think it is most important. As members will be aware, Mr McCarrey claimed - this is really the central thrust of his whole report and the basis on which the Premier claimed the State was broke - that there were huge problems in future Budgets, the forward estimates in other words. He derived from a consolidated fund and a projection of revenue expenditure from the current base into the future that a huge deficit would emerge. It was said that the Government would have to find \$150m extra per annum just to maintain the current level of services in Western Australia. Again, that is based partly on the assumption that we have to fund our social capital infrastructure out of recurrent revenue rather than from borrowings. It is also based on a very important mistake - this is the most critical one. I have asked other people to look at this, including Mr Mike Nahan. He has not come back to me yet but we could not find anywhere in the report a reference to abnormal expenditure. The report clearly indicates that there are abnormal revenues and, if projections into the future have to be made, those revenues must be taken off. That is reasonable. If we have one-off benefits from selling, say, the SGIO or the R & I Bank Ltd or whatever, they should be deducted from the future projections. I am sure members agree with that.

However, on the other side of the ledger, if we are talking about our estimates into the future -

Mr C.J. Barnett: Trends.

Dr LAWRENCE: Yes, trends, but also the Budget estimates. They are above and below the line deductions in New South Wales and the Commonwealth, and we have to deal with what we can expect our regular revenue to be from taxes, charges, royalties and the

like. We should make our best estimates based on economic growth projections, consumer price index projections and movements in salaries and wages. That is reasonable. However, to be fair, on the other side of the ledger we also must deduct abnormal expenditure. This is what is done at the Federal level and in New South Wales. One-off expenditures, such as the royal commission and redundancy programs here and elsewhere, should also be deducted when we are putting together our estimates for future Budgets. Unfortunately, Mr McCarrey has done it on only one side of the ledger with the effect that the deficit, so called, is significantly exaggerated. The tables in the back of the report indicate that while revenue appears to be growing at a very low rate - I think the growth projections are very pessimistic only because he has taken out the one-off revenues - expenditure appears to be growing exponentially. Part of the reason for that is that he has not taken out the one-off expenditures. That is a point that I have made publicly. I have asked Mr McCarrey to discuss these matters with us and give us a briefing. However, he has refused to provide the Opposition with a briefing and, therefore, I have not been in a position to debate this matter with him.

Mr C.J. Barnett: What are one-off expenditures?

Dr LAWRENCE: I gave the House some examples: The royal commission, for example, is a one-off expenditure and a very significant one.

Mr Court: Who refused a briefing?

Dr LAWRENCE: Mr McCarrey.

Mr Court: He has not brought down his report yet.

Dr LAWRENCE: The first volume is complete and is here. It is with that volume that I am arguing. Volume one, by the way, is the basis on which the Government has made some decisions already about the establishment of a consolidated fund. Therefore I think it is not unreasonable that, since the first volume came down - which was a long time ago now - the Opposition should have been provided with an opportunity to ask some of these questions. However, I am now convinced, having talked to other people with significant skills in this area, that that is the most dubious and questionable element of the McCarrey report.

Mr W. Smith: Who are they?

Dr LAWRENCE: I do not talk to rude people like the member.

Mr Court: Do you talk to anyone on this side?

Dr LAWRENCE: I am talking to the Premier now. I am happy to talk to anyone as long as there is a reasonable level of politeness.

The important thing is that the question be answered. I am happy to be corrected if Mr McCarrey believes that he has taken account of abnormal expenditure. However, as far as I can tell, and as far as our staff can tell and others that I have questioned on this matter, it is clear that nowhere in the report is there reference to it.

The other point I make is that the forward estimates provided in the McCarrey report are a black box. If that is the basis on which Treasury and the Government propose to outline forward estimates in the future, I will be gravely disappointed because the forward estimates provided by the Government of New South Wales and the Federal Government are very much more detailed than simple global figures that claim revenue or expenditure are likely to be at certain levels. They go into much more detail than that. They include productivity dividends and they are not the black box that was described to me by one of the people -

Mr Court: They have been quite wrong over the last couple of years.

Dr LAWRENCE: Forward estimates are bound to be. They are the Government's best estimates. It is important to go into some detail so that people can see what assumptions are being made, what expectations -

Mr Court: So they can be detailed but wrong.

Dr LAWRENCE: Would the Premier rather be wrong in a global sense -

Mr Court: Are you saying that New South Wales -

Dr LAWRENCE: The McCarrey report is based on the "State is broke" claim made by the Premier and the report's forward estimates are based on very crude assessments of what the State's expenditure and revenue are likely to be. The Government's report from Access Economics showed very clearly that by the mid-1990s the rate of growth of the State's economy - the gross State product - is likely to reach as high as 10.9 per cent. Yet, the forward estimates provided for in the McCarrey report give a significantly lower figure than that. Therefore, it is important, if Governments are to provide forward estimates, that they will not be half a dozen figures which might as well have come off the back of an envelope. They should be provided with the precision that they are in New South Wales and by the Commonwealth. It is also an unreasonable assumption, and one that McCarrey also makes, that existing programs of Government will continue without modification.

The Leader of the House and members of the Opposition were saying earlier that it is already clear that the current Government is removing expenditure in key areas such as Social Advantage grants, domestic violence and the like. So the assertion that the Government of any day will simply take on all the programs *holus bolus* and project them into the future is wrong. Decent forward estimates take some account of shifts in policy priorities and programs; they include productivity dividends. Governments that base their forward estimates on best bids from departments and agencies will be in serious trouble because they will always be well in excess of the funds available to the State. Therefore, I urge the Premier in dealing with this matter to ensure that, first, there is an accounting method - I will be moving to this effect in Committee - and a mechanism for net appropriations to be reported to the Parliament and included in the Budget papers both in the Estimates for the coming financial year and in the Treasury's annual statements.

In relation to the consolidated revenue fund the reporting of Government finance statistics in the Australian Bureau of Statistics' recommended form and the one used by ratings agencies should not be abandoned simply because a consolidated fund is available to us. There should be proper definitions of the difference between recurrent and capital purposes. At the moment that is not included in the Bill but should be included in the Budget papers. Finally, any move to remove hypothecation of revenue in areas such as those I have outlined should be firmly put before the people before any decision is made. I am sure the recipients of Lotteries Commission and Healthway grants would want to be consulted if changes were made to the basis on which funds were provided to them.

This is an important set of reforms. It does not go far enough and in itself will not be sufficient to provide the people of Australia with a clear basis of understanding the State's finances. It will not be sufficient to ensure that Government departments and agencies account for all their financial activities, and it must be provided in the context of the improved ability of the State Government and State Parliament to make comparisons with other States and international equivalents. On that note - I indicate my intention to move amendments at the Committee stage - I commend the Bill to the House although it does not go far enough, particularly in relation to reporting to the Parliament.

**MR KOBELKE** (Nollamara) [4.02 pm]: I express my support for the very important reforms contained in this Bill. In his second reading speech the Treasurer briefly covered a number of those issues and the Leader of the Opposition has now fully brought to members' attention some of the points which will be taken up with the reforms contained within this amending Bill. I commend the Government on introducing this Bill. However, the Treasurer referred in his second reading speech to the Government's initiative in formally creating a consolidated fund. I put it to the Treasurer that he would have greater standing in the community if he were more genuine when bringing forward these reforms. These matters have been in train for some years. The Treasurer has taken them up and put his stamp on them when introducing this legislation. I think he is using the word "initiative" rather loosely when claiming that this Bill is a Government



initiative. It would certainly serve the State better were he to be more genuine in his approach rather than try to claim credit for a process that has been going on for some time, and which is of some importance to the management of finances in this State.

This Bill seeks to give a greater level of openness and accountability to the financial operations of this State. There was much criticism from this Government when in Opposition that the presentation of the accounts in the past was in some way trying to mislead the people and present a picture which was not accurate. Although it can certainly be said that the picture was not as open and accurate as one would wish it to be, and as is evident in other parts of Australia, the rider the Liberal Party has frequently used that somehow there was deliberate obfuscation in the way the accounts were presented, is certainly not true. The manner of presentation of the accounts of this State is a longstanding tradition.

This legislation contains a long overdue move to update the presentation of those accounts and to ensure this State is in line with other parts of Australia and that modern accounting procedures are in place. That comparability with the other States of Australia is a very important matter. We have heard in many debates in this place the use of figures to compare Western Australia with other States. It is very difficult to make those comparisons with so many methods of accounting and different types of categories of expenditure across the States.

Mr Trenorden: There are only two methods of accounting - cash and accrual - and everyone has gone to accrual.

Mr KOBELKE: There are also various categories into which accounts are placed. Of course, that problem will never be completely removed because States will want to retain their own categories of expenditure and set up their departments in their own ways. I am not suggesting we should move to a single uniform set of accounts across all States. There would be no point in that and it would not serve the interests of this State. However, we should ensure uniformity of reporting so that proper and accurate comparisons can be made between the States. This legislation is an important step along that road. I commend the Government for introducing it, and the Government will have the support of the Opposition for continuing the process which has been in place for some time. I hope it will lead the Government to be a little more open in its approach to the figures it presents, and that it will be willing to face up to the real issues involved which are reflected in the figures used. Unfortunately, in this place we have not seen a willingness by the Government to be open, front up to the issues, put the information before the Parliament and discuss the merits of the issues. While this Government continues to run a political agenda by misquoting figures and using biased or skewed figures, the interests of this State will not receive the level of debate required.

Mr Trenorden: You will be embarrassed when you read the *Hansard* tomorrow. You are talking gobbledegook.

Mr KOBELKE: Is the member for Avon saying that his Government has been open in the way it has presented facts and figures to this House?

Mr Trenorden: Anybody who quotes figures is guilty of what you are saying.

Mr KOBELKE: Absolutely not. Members opposite have a predisposition to show shock horror at things done by the previous Government and to say the information presented was inaccurate and contained mistakes. However, it is so utterly self-centred with regard to its own performance that it cannot see the whole world judges it to be not speaking the truth. This Government will not face up to the truth of the issues and is absolutely unwilling to deal with the issues confronting this State in an open and honest way.

The member for Avon has been interjecting throughout my speech and, unfortunately, with the number of interjections made by other members also, I did not hear his most recent interjection. However, I respond to an earlier interjection: If the member for Avon does not see the problems with his Government it may be worth recounting a very short list of some of those problems. The Premier today in question time made a statement that was false. Only an hour or so ago he said that there had been a reduction

in the wages of certain sections of the blue collar work force by a decision of the previous Government in January this year. The Premier made that statement on the advice of the Minister for Labour Relations.

Mr Kierath: That is right, on 20 January.

Mr KOBELKE: That is absolutely false - strike one for this Government. I could go on for weeks. Yesterday I asked the Premier a question about Government policy on the Royal Commission into Commercial Activities of Government and Other Matters. This Bill is obviously in some respects a continuation of matters raised in the royal commission, and the Premier would not answer my question on a matter of policy relating to the royal commission. Is that open Government when a Premier will not answer a simple question with respect to the royal commission and implementation of Government policy?

We also saw the Premier, in the sitting before the recess, in conflict with the member for Albany about a statement. The member for Albany said one thing, and the Press and everyone else knows that the Premier said something else, but do we have any resolution of that to determine who is telling the truth and who is not telling the truth? The Government does not see any need to resolve that conflict. Everyone in the community knows, and the Press knows, that someone is not telling the truth. Everyone knows that something is going on and that the Premier is not willing to face up to it. This Government thinks that it can sweep it under the rug, it does not need to be open and accountable, and it can just let things roll on.

Mrs Hallahan: It is just rhetoric.

Mr KOBELKE: It is all rhetoric and no substance. That is what I am getting at in respect of this Bill. This is an important Bill, and if the Government is interested only in the form and not in the substance, we will not achieve the goals which underlie this Bill, which are vitally important to the proper financial management of this State. There is a list as long as one's arm of instances where this Government will not be accountable and will not come to this House and speak honestly about the facts. A day or so ago, we had an announcement by the Deputy Leader of the Liberal Party about the Collie power station which was an absolute misuse of the forms of this Parliament. In three minutes in this Parliament, this Government announced a decision to commit over \$1b of State funds. I am sure that matter will be debated on many further occasions in this House, because that was a poor decision and one which treated this House with utter contempt.

When the Opposition asks questions on notice, this Government time and time again refuses to answer those questions, ducks the issues, or gives us answers which are not answers. The Government is not interested in presenting the truth. The Leader of the Opposition outlined clearly the misrepresentations by this Government about the level of State debt. This Government thinks that it can blame the former Government for all the sins that it can see, and regards itself as being answerable to no-one. This Government thinks that it was born to rule; it was an aberration that it was in Opposition for 10 years, and now that it is in Government it can do things its way. It does not need to justify the decisions that it makes. It does not need to provide the figures for the Collie power station to demonstrate why it is such a good decision. This born to rule Government does not need to speak the truth. It can fudge the truth time after time. It can come into this House and say deliberately things that it knows are not true, and get away with it, because it is born to rule. That is an absolute travesty of the principles of this Bill.

I hope that when this Government finds its feet and overcomes its continuing saga of incompetent decisions and bungles, it will face up to the real issues contained within this legislation. I hope we will see not only a consolidated fund established, which is a core part of this Bill, but also a Government which presents its accounts to this Parliament in a way which is in keeping with the principles contained in this Bill. I hope that the Treasurer, in responding to this debate, will give some further detail about the agreements in clause 3 of the Bill in the form of an amendment to section 23 of the Financial Administration and Audit Act 1985, because those agreements between the Treasurer and the accountable officer for a department or for a statutory authority are

crucial to the proper working of this legislation. While I understand that it may be some time before the fine details of these agreements are worked out, I hope the Treasurer can give us a fairly clear indication of what will be the general principles and guidelines involved in the establishment of such agreements.

The point I wish to raise about the Metropolitan Region Town Planning Scheme Act, which is to be amended by this Bill, could be applied also to a number of other authorities whose Acts are to be amended by this Bill. What assurances can the Treasurer give that this will not be the first step in opening up a range of practices within particular instrumentalities or Government agencies which could see them become simply another arm of Government which collects taxes? We must ensure that we will not see the Department of Planning and Urban Development, or some other town planning body, set out to raise funds for local development and be able to then put the money through this consolidated fund. I know that is certainly not possible within this Bill, so I am not suggesting that this Bill will allow that, but with a Government that wishes to see cost recovery, which has espoused user pays principles, and which has not been willing to announce clearly the figures behind its decisions, what guarantees of policies and principles can the Government give so that we will not see instrumentalities adopt a role as additional Government tax collectors and so that we will not see decisions made about costs and charges in certain areas which will really be just a backhand way of raising revenue and feeding that into the consolidated fund? I hope the Treasurer in his reply will follow up those matters and give the assurances which I seek.

**MR CATANIA** (Balcatta) [4.17 pm]: I will make some brief comments about the Bill and address a number of concerns about statements made by the Minister for Finance. The newsletter "Executive News", which is published by the Western Australian Public Service Commissioner, states that the Independent Commission to Review Public Sector Finances will play a key role in the implementation of financial reform. During the four years that I was on the other side of the House, I heard the then Opposition criticise us for having financial advisers. I believe that the Independent Commission to Review Public Sector Finances is no less than that, and in fact is a dangerous element to introduce, because the Government could be inclined to follow entirely the agenda for reform given in the McCarrey report and the dangerous and certainly questionable recommendations which the Public Service Commissioner said were enunciated in this publication. I commend the Minister for Finance for stating that -

The Government would concentrate on the long-term objective of reducing existing high debt levels and was committed to accelerated repayment of general government sector debt over a 25-year period.

He continues - and this is where I express the concerns -

A desirable objective was to fund all non revenue generating infrastructure from recurrent revenue rather than debt.

The Leader of the Opposition stated her concerns about the finances needed for schools, social welfare, transport, and policing for which I have shadow responsibility. I am concerned about the objectives of the current Government, and the accountability mechanisms enunciated in agreements. What are the terms and conditions of the agreements? Where is the accountability? What about the reporting procedures? I am also concerned that revenue will be placed in the consolidated revenue fund. Eventually projects such as Healthway will be cancelled if funds are placed in the CRF and these agencies then need to access them by submission.

The Minister for Finance stated that by enhancing the efficiency of public trading enterprises a \$750m saving can be made in the short term. The gains will be made by promoting performance measures, program evaluation and portfolio management. I think the member for Avon will agree that the Public Accounts and Expenditure Review Committee in earlier years has examined performance measurements and insisted that Government departments be aware of the need to report within a certain time. The Minister for Finance should realise that these mechanisms are already in place. They are nothing new. This Government does not give credit to the previous Government for

setting up these procedures. My fear is that this coalition Government is more intent on balancing the books at all costs than on caring for people.

The Public Service Commissioner has stated that it should not be assumed that the private sector has all the answers to lowering costs or that their actions would contribute to lowering costs. He also said that the private sector expertise cannot simply be transplanted into the public sector; that is, if this could be so easily achieved the Greiner Government's recruitment of private sector managers would have succeeded. The Government should consider seriously that statement. It appears that the Government thinks the private sector has all the answers. The Minister for Finance referred to forward estimates. That mechanism was foreshadowed by the previous Government. The Minister for Finance referred to performance measurements, program evaluations, revenue being placed in a consolidated fund, and accrual accounting. These are all measures introduced by the previous Government.

Mr Trenorden: They were not introduced.

Mr CATANIA: They were. The difference between the previous Government and the present Government is that we had a commitment to a strong capital funding base - we considered that a positive in a developing State. We needed capital investment. The present Government is not able to come to terms with that. The Government does not consider capital investment is a priority. The Government is making a grave mistake in that area. The excuse is that no money is available and the Government must reduce capital investment, but that is wrong. The Government should look to the private sector - which McCarrey seems to be pointing to - and consider leasing programs for departments to ensure capital works are carried out. The Government believes that better management equals more taxes and imposts on the community; that higher debt is a negative, and higher taxes and a willingness to use them are a positive. The Government has forgotten that State finances are all about people - individuals and families who own the State. They have been left out of the Government's economic equation.

Mr Strickland: Do you run your personal finances like that?

Mr CATANIA: Members opposite forget they are governing for the people, and that reflects the very worst side of the coalition Government. Members opposite consider only the elimination of debt. Let us consider how the Government hopes to achieve better financial management. Yesterday the Minister for Energy said that SECWA will partly fund a power station at Collie at a cost of \$880m. Do Government members know what percentage of the State debt is attributed to SECWA?

Several members interjected.

Mr CATANIA: The Treasurer should listen. Can the little boy answer the question? What percentage of the State debt is attributed to SECWA?

Mr Cowan: Do you know?

Mr CATANIA: I would not be asking the question if I did not know. It is 40 per cent. Am I right?

Several members interjected.

Mr CATANIA: The Deputy Premier does not know. The Minister for Energy said yesterday that SECWA will partly fund the power station from Government revenue. Am I correct? Will it be to the extent of \$880m?

Mr Cowan: That is where you are wrong.

Mr CATANIA: Will SECWA supply \$500m?

Mr Cowan: Settle down! All of that amount will not be borrowed.

Mr CATANIA: How will it be funded? Will it come from SECWA revenue?

Mr Cowan: Of course it will.

Mr CATANIA: What was SECWA's profit last year?

Mr Cowan: It was enough to return -

Several members interjected.

Mr CATANIA: Is it \$100m? What was paid to the Government?

Several members interjected.

Mr CATANIA: I am asking questions about management techniques.

Several members interjected.

Mr CATANIA: How will the Government achieve better management when the Government does not know the facts and figures?

Mr Cowan: We know.

Mr CATANIA: Let me give the Deputy Premier some advice. SECWA made \$100m profit -

Several members interjected.

The ACTING SPEAKER (Mr Prince): Order! The Hansard reporter is having difficulty in recording debate due to the number of interjections. I ask members to bear that in mind when they wish to say something.

Mr CATANIA: They are providing \$100m from SECWA.

Mr Trenorden interjected.

Mr CATANIA: I consider that to be a strength. Government members should take my word for it. I do not tell fibs like those guys do.

*Withdrawal of Remark*

Mr COWAN: The member should have to withdraw that statement. It is a direct implication against members on this side of the House.

Dr Lawrence: You blokes are unbelievable. You sat over there and called us for everything and now you cannot cop 'fibs'.

The ACTING SPEAKER (Mr Prince): Order! The member for Balcatta should withdraw the remark.

Mr CATANIA: Government members have no sense of humour; however, I withdraw the remark.

*Debate Resumed*

Mr CATANIA: Of the \$100m, \$70m was paid to the Government. Even if the Collie power station had to be financed to the tune of \$500m and not \$880m, how would it be done?

Mr Trenorden: You watch.

Mr CATANIA: I am sure we will all watch with great anticipation. This is my main concern when I look at these Bills and listen to the Minister for Finance, the Premier, and his Deputy. I applaud the Government for some of the content in the Bills with which I agree, but I have a lot of question marks as to where the Government will go with it. I commend the Bills. I also express concern about the direction the Government is pursuing in this area.

The financing of the Collie power station in the next three and a half years is an example of the Government's financial management practices. The Government puts on a tax whenever it sees a problem. We have had a tobacco tax, water rates increases, motor vehicle registration fee increases and the cancellation of people's rights. This Government's better management and more jobs equates to more taxes, throwing people out of work, throwing compensation claims out the window and cancelling people's rights. These are the Government's management techniques. It is a poor state of affairs. The Government has dumped all the people who provided the extra few votes to get it into power and to whom it gave so many promises. In closing, I support the Bill.

However, some of the changes are cosmetic and the Government should give an indication as to where the State is headed in this area.

**MR COURT** (Nedlands - Treasurer) [4.33 pm]: I thank the three members opposite for their contribution to the second reading debate: The brief comments of the member for Balcatta; the slightly longer comments of the member for Nollamara; and the comments of the Leader of the Opposition. There is a consensus that the moves are a step in the right direction. We would be the first to say that there is a long way to go in the way in which the Government presents its accounts.

As I mentioned by way of interjection, it will take some years before we are able to put in place a full accrual system. One of the recommendations in the Report of the Independent Commission to Review Public Sector Finances, the McCarrey report, was the need to strengthen the accounting responsibilities within the Treasury. We must address that matter - it will be a major change - to ensure that we can implement the full accrual accounting system. We also want to work towards the ability to compare more fairly our performance with that of other States. The Leader of the Opposition spent some time, as did the other members, trying to paint the picture that the State's finances are in good shape. No matter how hard those opposite try, they cannot play down the financial effects of the mismanagement we inherited when we came into Government. At no stage have we said that we will not have to borrow. The Leader of the Opposition keeps commenting about the need for borrowing for social infrastructure.

**Dr Lawrence**: Not in its entirety, but to cut it back would be the same as having one hand tied.

**Mr COURT**: We have never said that we will cut out borrowing altogether. We will bring borrowings under control.

**Dr Lawrence**: You want to cut it back, and that is the same thing. You don't even understand what you are doing.

**Mr Cowan**: Of course we understand.

**Mr COURT**: The Leader of the Opposition keeps making the speech that she made when she was in Government - that borrowing is good for the State. It is the Bankcard mentality: Keep borrowing, borrowing, borrowing. She forgets to tell the public -

**Dr Lawrence**: What about some substance.

**Mr COURT**: If that is the best line the Leader of the Opposition can produce, she will be pretty tired at the end of four years. She keeps saying, "Keep borrowing and do not worry about having to pay the interest." One of the key points in the McCarrey report is that since 1987 there has been a rapid build up of debt in the general government sector to fund recurrent expenditure.

**Mr Catania**: Two agencies, Moody's Investors Service and Standard and Poor's, have both said that that is incorrect. That is not the case in Western Australia.

**Mr COURT**: If the previous Government got it right, why was the State's credit rating downgraded?

**Mr Catania**: It is still the second highest in Australia. It was a very small downgrading.

**Mr COURT**: The member knows why the State's credit rating was downgraded. His arguments ring pretty hollow. The claims regarding the cutbacks in social infrastructure are an attempt by the Leader of the Opposition to muddy the waters in relation to State finances. The Leader of the Opposition knows only too well that there will be borrowings to provide the social infrastructure. The concern has been about growth and the level of borrowings for areas that should be covered by recurrent expenditure.

In response to some of the specific comments raised, at a briefing yesterday the Leader of the Opposition asked about net appropriations. We understand what she is trying to get at and we have made it clear that we will provide the full gross expenditures and the gross revenues so that we get the net expenditure figure. We have told the Leader of the Opposition that we are prepared to issue a Treasurer's instruction that spells out quite

clearly that agencies will be required to report on net appropriations in their annual reports. We have said that we are only too willing give to the Leader of the Opposition a draft of such an instruction.

The Government believes that the Opposition's foreshadowed amendments are covered by the issuing of the Treasurer's instruction. At this stage the Government does not see the Opposition's proposed amendments as necessary, but it accepts that it is important to spell out the full gross expenditure and revenues. At the same time the Opposition and all members of the Parliament will be able to use the Estimates Committee debates to obtain the information they require on expenditure and revenue.

This move makes hypothecation more visible, so that tied funding is more evident. The Government does not envisage making any changes, and would certainly inform the House if it were about to bring about any changes. The move will mean that members have a better understanding of the revenue streams for those different areas. A number of other issues were raised about the debt level of the State Energy Commission. That showed a lack of understanding about the power station decision. The member for Balcatta forgot to tell us what would happen if we went the other way - that is, we would have higher tariffs that would impose too great a burden on the economy. Any project will stack up if the tariff is high enough.

Mr Kobelke: Is the Treasurer saying that the graph shown in *The West Australian* is wrong?

Mr COURT: If the member for Nollamara wants a full debate on the power station, the Government is willing to oblige. I thank members opposite for their contributions to the debate and for accepting that it is the beginning of a change in the way in which Government accounts are presented. Western Australia is the last State to move down this route. My Government will speed up the process. The main challenge will be a change to accrual accounting and my Government has started initiatives in this direction.

Question put and passed.

Bill read a second time.

#### *Committee*

The Chairman of Committees (Mr Strickland) in the Chair; Mr Court (Treasurer) in charge of the Bill.

#### **Clause 1: Short title -**

Mr TAYLOR: The Treasurer's second reading speech, and those of other Ministers which have come before this Chamber, has not properly explained the Bill clause by clause. It is my view that Ministers should explain not only what is in the Bill but also why it is necessary. I do not want to take this any further, but that point needs to be taken up by the Treasurer with his Ministers.

Mr COURT: I accept the point made by the Deputy Leader of the Opposition, not so much as it relates to a second reading speech but to the practice of providing a separate briefing document which gives a clause by clause explanation of the Bill.

Clause put and passed.

#### **Clause 2: Commencement -**

Dr LAWRENCE: I drew the Treasurer's attention in an earlier debate on the Treasurer's Advance Authorization Bill to the fact that this is just one of the pieces of retrospective legislation this Parliament has had to consider. I raised my very strong objections that it has happened on not one but many occasions and that if it is to become a habit of this Government it is one from which it should desist. It expresses a contempt for this Parliament and is in direct contradiction to the Government's stated views. It was possible to have this legislation introduced into and through the Parliament before 1 July had the Government been properly organised. It is not sufficient justification for us to be told that the consolidated fund needed to operate from 1 July. We understand that, but this Parliament was sitting sufficiently ahead of that time that it could have been taken

through all stages in both Houses. If the cooperation of the Opposition had been sought, it almost certainly would have been given, but the Bill did not come into the House until after the day of operation on 1 July 1993.

I will repeat this as often as is necessary: Retrospectivity of this kind, indeed of any kind, is to be resisted. We have seen retrospectivity with the Financial Administration Legislation Amendment Bill - effectively the Supply Bill depends on it; the Treasurer's Advance Authorization Bill; the Justice Ministry legislation; the workers' compensation Bill, which we have not yet seen; and the application of changes to the basis of rating Water Authority charges. In relation to the purpose of the Bill we have retrospectivity not just in one clause or in parts of a clause, but in the whole Bill. I make clear the Opposition's resistance to this tactic and the fact that we will make as much comment about this as is necessary to drive home to the Government the undesirability of this practice. It represents contempt for not just members of the Opposition but also the Parliament and the people of Western Australia. Laws should come into effect after they have passed through all stages of Parliament and not when it suits the convenience of the Government.

Mr COURT: The Leader of the Opposition made this comment on an earlier Bill. The Government is implementing a change which covers the full financial year. Any other route would mean the introduction of two Budget Bills, so it is appropriate it be handled in this way. The Leader of the Opposition has made the point that members opposite will support the thrust of what the Government is trying to do. The changeover must be made at some stage, and the Leader of the Opposition knows it is normal for incoming Governments to start the first sitting of a new Parliament in the middle of the year.

Dr Lawrence: You were four weeks later than previous Governments.

Mr COURT: We resumed at a normal time. If the Leader of the Opposition wants the facts, we can present them to her.

**Clause put and passed.**

**Clause 3: *Financial Administration and Audit Act 1985* amended -**

Dr LAWRENCE: Although a great many changes are contained in this clause, only one clause exists. That means that in order to debate a number of separate issues, which I intend to do, it is necessary to break the clause into sections. Proposed section 23A(1) states -

For the purposes of this section, the Treasurer and the accountable officer for a department or the accountable authority for a statutory authority may enter into an agreement providing for revenue comprising moneys received by the department or statutory authority from -

- (a) the provision of services;
- (b) the sale, leasing or hiring out of goods or other property (other than real property); or
- (c) the sale, leasing or letting of real property . . .

Why, unlike in other States, has it been deemed appropriate - not simply in relation to service provision, but in the sale of assets - that departments have this capacity under the net appropriations requirement to retain those earnings and to escape the detailed control of Treasury? That is not a desirable feature of the Bill. Although at this stage I am not opposing the Bill, it does not contain sufficient control over the sale, leasing or hiring out of goods or other property, or the sale, leasing or letting of real property. That is quite at odds with other net appropriation provisions in other Statutes. What is the reasoning behind that provision?

Mr COURT: That can only occur if the approval of the Treasurer is obtained.

Dr Lawrence: But why the sale of assets in this case?

Mr COURT: The Leader of the Opposition said that it does not require the approval of the Treasurer; it does.



Dr Lawrence: You don't understand your own legislation, because they are told they can enter into an agreement, but they are not required to report the detail to anyone.

Mr COURT: They cannot do that unless it is approved by the Treasurer.

Dr LAWRENCE: It would have been wise of the Premier to have Treasury officials present, because the proposed section states that they may enter into an agreement providing for revenue comprising moneys received. According to Statute, they are not required to apply for permission for specific transactions. Once they have a net appropriation attached to their department or agency, the agreement is signed - an agreement that the Bill does not require to be reported to this Parliament. No requirement exists for them to ask for the permission of the Treasurer about a particular piece of land or property. My understanding is that that is correct; I asked the question of Treasury officials yesterday. They appeared to me to be saying that once an agreement had been entered into in general terms it would not be open in this legislation for specific transactions to then be further approved by the Treasurer.

Mr COURT: I repeat that before they have that power, it must have been approved by the Treasurer. The main amendment is in relation to clause 3. The agreements that the Treasurer will enter into will be detailed agreements. The Treasurer can enter into an agreement and say that assets up to a certain amount can be sold; however, it will not give them open slather to sell the assets. Therefore, the safeguard relates to the Treasurer's having to provide that agreement in the first place.

Mr KOBELKE: In his reply to the last question from the Leader of the Opposition the Premier stated that the agreements would be detailed. I asked in the second reading debate whether the Premier could present some of those details. We are talking about agreements which the Treasurer will endorse, allowing particular agencies to undertake transactions involving many millions of dollars. A range of possible activities could be covered by such transactions. It would be totally inappropriate if we simply said that details would exist. The Premier must explain to this Chamber what are some of those details. Does a draft set of guidelines already exist which indicates the limits and directions which such agreements will take? What criteria will be placed on such agreements? Will a standard form of agreements apply, or will the agreements be carried out on a one-off basis every time an agency comes forward? One would assume that a standard form of agreement will exist. If so, what are some of the details that will be covered in that agreement? Will the Premier put before the Chamber some of the particulars which will relate to the general framework of any such agreements?

Mr COURT: I introduce Mr Doug Tyler from the Treasury Department who will be advising me.

It is up to the Treasurer to ensure how the detail will be spelt out, and that the controls are in place, because the Treasurer has the end responsibility in these matters. If a Treasurer gives a chief executive officer open slather in an area, and the CEO runs amuck, the Treasurer must bear the consequences of that at the end of the day. Those instructions would be issued in a detailed form and would have the restrictions in place that the Treasurer desired.

Mr KOBELKE: Perhaps I am being too facetious; however, I could ask the Treasurer who is the Premier of this State. In replying to my question he said that the answers would be provided by the Treasurer. It is my understanding that the Premier is the Treasurer.

Mr Court: I said the detailed agreement would be negotiated between the Treasurer and the department.

Mr KOBELKE: My question was whether the Treasurer would provide to the Chamber now an outline of the details that would be required in any such agreement. As was covered in earlier debate on this matter, this legislation is the culmination of years of work by the previous Government and the Treasury in updating the methods of financial accounting for the State. It is not something which has suddenly fallen out of a tree. The Treasurer, as the responsible Minister in this area, not only for the carriage of this piece

of legislation but also for administering it once it is passed, should have clear guidelines about what the form of the agreements will be. Simply saying that the Treasurer will negotiate it could be interpreted in a range of ways. Does that mean that the Treasurer will sit down on an agency by agency basis and draw up such agreements on an individual basis? Are we to have no overriding guidelines so that these agreements will achieve certain ends, or are we seeing here again an example where this Government is only about form and does not understand the substance of its own legislation? The substance and principle of this legislation is to improve the accountability of the accounts of this State, to make them more open and to assure the public that guidelines are in place. The public will then be in a position to determine whether those guidelines have been adhered to. Clause 3 provides for a deal to be done between the Treasurer and an agency regarding the State's finances. The Treasurer simply says that the detail of that agreement is something that will be decided by the Treasurer in a way that makes one think that the Treasurer is in another place. Perhaps we are under some misapprehension and he is in another place and we have a cut out of the Treasurer in this place. I ask the Treasurer to provide the details of the agreements referred to in clause 3 of the Bill.

Mr COURT: I am prepared to answer the member's questions, but it does not help the Parliament if he wants to make this a personal abuse session.

Mr Kobelke: I asked the question three times and you have refused to answer it.

Mr COURT: The Treasurer has the responsibility to provide the guidelines to the agencies.

Mr Kobelke: You are the Treasurer.

Mr COURT: That is right. Of course, a broad pro forma will be established for the agencies. The member asked whether this pro forma will be established on an agency by agency basis. In most cases it will. It is not in the Treasurer's interest to give too many powers to the agencies, particularly in relation to asset sales. The agreement must be renegotiated every year. In addition to that, a number of guidelines are already in place which must be adhered to by the heads of departments when preparing the annual accounts. The Financial Administration and Audit Act includes controls to ensure that the departments are getting cost recovery in various areas. If the Treasurer wanted to give an agency open slather, he already has the power to do that. However, at the end of the day, the person responsible is the Treasurer. The guidelines will certainly be in the form of a broad pro forma and because of the different activities undertaken by a wide range of agencies it will vary on an agency by agency basis.

Mr KOBELKE: I do not wish to be personal, but one does make a judgment when the Treasurer refuses to give any details in response to my question. He said there would be details on the agreement, a broad profile would be established, and guidelines relating to financial administration by the CEOs were in place and would be considered in the establishment of these agreements. The Treasurer does not understand a simple question. If the answer is that the Government has not put its mind to the extent and nature of these agreements, it would be an acceptable answer, but he has not said that. He has simply said that there will be detailed agreements and they will vary from agency to agency. One can draw the conclusion only that it is a matter which the Government is yet to address. I hope it will address this issue quickly and advise the Parliament of the details of these agreements.

Mr COURT: A Treasurer's Instruction outlining the guidelines can be prepared. The guidelines will vary from agency to agency. We will not allow some of them to have certain powers and for that reason they will be given simple guidelines. A standard instruction will not be issued to agencies - it will vary. The point the member made is correct; it all depends on how much power the Treasurer will allow those agencies. A Treasurer should make haste slowly in this matter.

#### *Progress*

Progress reported and leave given to sit again at a later stage of the sitting, on motion by Mr Court (Treasurer).

[Continued on p 2037.]

**STATEMENT - BY THE SPEAKER**

*Meagher, Dr Timothy, Letter to Member for Fremantle, Breach of Parliamentary Privileges Act*

**THE SPEAKER (Mr Clarko):** Earlier today the member for Fremantle raised a matter which he thought constituted a breach of privilege. It appears that Dr Timothy Meagher sent to the member for Fremantle a letter, the last sentence of which is as follows -

Any further comment by you adverse to my reputation, in the House or without will be met by legal action.

After the matter was raised, I sought some advice from the Clerk and have since spoken to the member for Fremantle and other members on the matter. Erskine May's *Parliamentary Practice*, twenty-first edition, at page 115 gives a general statement on contempt of the House and I think it will help members if I read it -

Generally speaking, any act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any Member or officer of such House in the discharge of his duty, or which has a tendency, directly or indirectly, to produce such results may be treated as a contempt, even though there is no precedent of the offence.

Later in the same chapter, at page 126, specific instances of contempt are mentioned, including threatening a member with the possibility of a trial at some future time for a question asked in the House, and proposing to visit a pecuniary loss on a member on account of his conduct in the Parliament.

Further to these general considerations, I draw members' attention to section 8 of the Parliamentary Privileges Act which empowers each House of the Western Australian Parliament to punish for contempt and one of the specific offences mentioned under this section is -

The sending to a member any threatening letter on account of his behaviour in Parliament.

I have carefully considered Dr Meagher's letter and have come to the conclusion that a prima facie case exists and there is a contempt of this House. Now that I have drawn this to the attention of the House it is up to members to decide what action they should take. I caution members that they should not be too hasty in deciding to take action on this matter unless they are convinced that this action constitutes a contempt.

At the same time the House must consider most seriously any action which is clearly calculated to interfere with a member going about his duties in the House. Another matter worth considering is what legal action would have been open to Dr Meagher to take in relation to anything done by the member for Fremantle in the House. While I am not a lawyer, it seems to me that little opportunity exists. I should also tell the House that Dr Meagher telephoned me earlier this week to express his concern about a question on notice and to seek my advice on what avenues were open to him. I advised him that if he had concerns he could write to me setting out his complaint and I would examine it.

I leave the matter in the hands of members to take what action is appropriate and suggest that if they wish to take action it should be done within a reasonably short time of any alleged offence occurring.

**MR C.J. BARNETT** (Cottesloe - Leader of the House) [5.12 pm]: Mr Speaker, your comments are supported by members on this side, and I trust also on the other side of the House; we totally concur with them. There can be little doubt, as you have indicated, Mr Speaker, that the content of Dr Meagher's letter was such as to constitute a breach of the Parliamentary Privileges Act. His letter clearly sets out to threaten or intimidate the member for Fremantle. This House cannot tolerate interference in the rights of a member of Parliament to act without fear or favour in carrying out his duties as a member of Parliament. When such a breach occurs it is important that this House act promptly. Accordingly, I move, without notice -

That this House -

- (a) finds that a contempt of the House has occurred as a result of a letter dated 5 August 1993 being sent to the member for Fremantle by Dr Timothy Meagher, which threatened legal action if the member made certain comments in the House or without;
- (b) strongly reprimands Dr Meagher for his action in committing the contempt; and
- (c) requests Mr Speaker to convey the terms of this reprimand to Dr Meagher.

As you have indicated, Mr Speaker, this is a most serious matter and one it is important this House consider and act upon promptly. Regardless of the circumstances that may have preceded this letter there can be no excuse for the action taken by Dr Meagher. I hope the House will support the motion.

**DR LAWRENCE** (Glendalough - Leader of the Opposition) [5.14 pm]: I appreciate your ruling, Mr Speaker, and the fact that both the Government and Opposition were apprised of the likely nature of your ruling and have had time for discussions behind the Chair on the appropriate form of the motion, which I now second. In doing so, I draw attention to the fact that the Opposition may have preferred a process which saw Dr Meagher provided with an opportunity to explain to the House the reasons for his actions before we moved to the step of judging him to be guilty of contempt. Nonetheless, given the discussions held behind the Chair between Government and Opposition representatives I believe this is a reasonable outcome and one the Opposition is prepared to support.

When I arrived at my office this morning and had the letter from Dr Meagher drawn to my attention I was at first somewhat amused by the threatening nature of the comments made on the first page. However, when I turned to the second page as I walked into this Chamber I discovered that it contained a much more serious threat. I immediately drew it to the attention of the member for Fremantle, who at the earliest opportunity drew it to the attention of the House.

No member can stand idly by - and I am pleased that neither you nor the House has done so, Mr Speaker - while another member in the course of his or her duties is threatened with such action as may prevent him or her properly exercising those duties. We have, by a longstanding convention, a privilege which enables us in this place to criticise in a robust way the actions of the Government and Ministers of the day and, where appropriate, other people who, as in this case, have provided advice and information to the Government of the day.

The questions being asked by the member without notice and on notice were perfectly reasonable ones about the nature of the contract entered into, the funds being paid, the basis of the contract and the like. Certain observations were made about allegations that Dr Meagher had made about Mr Barry Carbon. That affair attracted much publicity and heat, but was properly pursued by the Opposition's shadow Minister who not only expected to get, but also received, the protection of the Parliament when an attempt was made to diminish his privilege.

I might say in parentheses that I am one who has always advocated that where a citizen believes he or she has been wronged the Parliament should provide a proper mechanism for complaint to it of that wrong. In some respects, had that mechanism been available to Dr Meagher, perhaps he would not have taken the intemperate action he did in threatening a member of Parliament with legal action if he continued to debate this matter in the House. Nonetheless, that does not excuse his action, which was clearly an attempt to silence a member of the Opposition by intimidating that member. I would feel the same way about any attempt to intimidate any member of Parliament, thereby effectively diminishing his capacity to perform his role in this House. I am aware that the matter has been referred to the police for action, whatever they may choose to do, because this has been considered such a serious matter. It is dealt with by section 61(2) of the Criminal Code, which states -

Any person who, -

Attempts, directly or indirectly, by fraud, of any kind, or by threats or intimidation of any kind to influence a member of either House of Parliament in his vote, opinion, judgement, or action, upon any such question or matter, or to induce him so to absent himself;

is guilty of a crime, and is liable to imprisonment with hard labour for 7 years.

The allegation that such an offence has been committed is taken seriously, by not only the Parliament but also the whole of the State through the Criminal Code. Therefore, it will be the subject of further inquiry. The House must express its opinion in the strongest possible terms no matter what the outcome of that investigation. I support the motion.

**MR MINSON** (Greenough - Minister for the Environment) [5.16 pm]: I stand with some depth of feeling to talk about a person with whom I have worked for some time and towards whom I have a feeling of friendship and whose family has extended hospitality to me on a number of occasions. I spoke to Dr Meagher this afternoon and explained to him in some detail the gravity of what he had done. I accepted his explanation that he felt that legal action when referred to in the context of the House meant approaching the Bar of the House. In thinking that, he has made a mistake which many citizens make; that is, that they can of their own volition approach the Bar of this House.

It is obvious to members of this place that people can approach the Bar of the House only if they are called. I accept that. I do not expect the House to accept Dr Meagher's explanation and, even if it did, it does not excuse Dr Meagher for threatening a member of this Chamber. I will therefore be supporting this motion reluctantly as there is no doubt that Dr Meagher has been guilty of threatening a member of this Chamber. Therefore, despite the fact that I have known Dr Meagher for some time and he is still a friend of mine, I cannot allow my feelings to cloud my judgment about his writing to a member of this place and threatening him.

I wish to allude now to what the Leader of the Opposition said about people being able to seek redress for what is said about them in the Parliament. I talked to Dr Meagher this afternoon and listened to him on radio when he expressed a great deal of frustration. I was reminded during his interview of the situation that occurred last year in relation to Penny Easton. I have no intention of enlarging on that matter, except to say that we in this House must be extremely careful in what we say in this Chamber about private citizens. We can say what we like about each other as we have a means of redress and can fight back, but those outside this place cannot. I urge caution. I suspect that the level of frustration felt by Dr Meagher is responsible in some way for what he did; it does not excuse his action, but in some way it mitigates it. Reluctantly, as it is my duty, I support the motion.

**MR RIPPER** (Belmont) [5.21 pm]: I agree with the Minister for the Environment that we must be careful about the way we use our privilege of speech in this House. However, the member for Fremantle has gone about his business in this matter as a member of Parliament should. His comments in this House give no justification for a citizen to behave as Dr Meagher has done. The Opposition strongly believes that the member for Fremantle has not behaved inappropriately as a member of Parliament. Undoubtedly, the action embodied in the motion moved by the Leader of the House is justified.

Under the Parliamentary Privilege Act the House is entitled to punish summarily for certain contempts, one of which is outlined as follows -

The sending to a member any threatening letter on account of his behaviour in Parliament.

The letter speaks for itself. Given the powers available to the House, the proposal within the motion is restrained. Members of Parliament are subject to sufficient legitimate pressures on their work without facing illegitimate pressures. Nobody will defend us from illegitimate pressures but ourselves; if we do not assert our rights, they will wither. Our community has insufficient appreciation of the role, rights and responsibilities of

members of Parliament. The answer to that situation is partly in our hands through our behaviour as members, but we must also assert our rights when they are threatened.

I support the motion and the comments of the Leader of the Opposition. In handling these matters our standing in the community would be enhanced if we were to afford the person to be reprimanded a chance to explain his actions, at least in writing, before the House took action to punish him. However, on the information available, the Leader of the House's proposal is a justified and restrained response considering the powers available to the House. I support the motion.

**MR C.J. BARNETT** (Cottesloe - Leader of the House) [5.25 pm]: I thank members opposite and the Minister for the Environment for their support of the motion. Some quite valid points have been made in the debate. I suspect that, importantly, all members of Parliament believe the actions in this motion are appropriate. I thank members for their willingness to act promptly.

Question put and passed.

## FINANCIAL ADMINISTRATION LEGISLATION AMENDMENT BILL

### *Committee*

Resumed from an earlier stage of the sitting. The Chairman of Committees (Mr Strickland) in the Chair; Mr Court (Treasurer) in charge of the Bill.

### **Clause 3: *Financial Administration and Audit Act 1985* amended -**

Progress was reported after the clause had been partly considered.

**Dr LAWRENCE:** I move -

Page 4, after line 12 - To insert the following -

(4) All agreements relating to moneys received as referred to in subsection (1) shall be reported to Parliament within 10 sitting days of being entered into.

(5) If an agreement is entered into under subsection (1) details shall be provided in the Treasurer's Annual Statements of moneys received by the department or statutory authority from -

- (a) the provision of services;
- (b) the sale, leasing or hiring out of goods or other property (other than real property); and
- (c) the sale, leasing or letting of real property.

(6) If an agreement is entered into under subsection (1) estimates of moneys expected to be received by the department or statutory authority from -

- (a) the provision of services;
- (b) the sale, leasing or hiring out of goods or other property (other than real property); and
- (c) the sale, leasing or letting of real property,

shall be detailed in budget papers accompanying the annual appropriations.

As I indicated during the second reading debate, no mechanism is contained in the legislation in any form to report any agreement between the Treasurer and any department or statutory authority. I drew this matter to the attention of Treasury. This accountability relates to the extent of the retention of earnings or the purpose to which the earnings are provided. These matters are not required to be reported to the Parliament as part of the annual appropriation as a Budget estimate. Also, it does not enable the Treasurer to report through the Treasurer's Annual Statements on revenue raised in this way.

Importantly, with a new arrangement such as this, particularly with the potential effect of net appropriations being changes in expenditure priorities, this should be a matter of close scrutiny by not only the Treasurer but also the Parliament. I find it curious to hear the Treasurer say he is very much of the view - as mentioned in discussion on the Treasurer's Advance Authorization Bill - that Parliament should have been provided with information on agreements entered into by Treasurers in previous Governments; however, apparently we are not to be given the detail necessary for a proper scrutiny by this Parliament - not the Executive arm - of agreements entered into. This is not a peripheral quibble. Net appropriations require agencies to retain earnings, which are the subject of the agreements, to be applied for certain purposes. It is clear in the second reading speech and other analyses that this can provide financial flexibility to departments, but it does not require the same sort of reporting to Parliament such as is the case with taxation, royalties and the like. This does not allow the ability to ensure that revenue is applied to purposes agreed to in the annual appropriation.

It is very important that this matter is accepted by the Government. In my discussions with Treasury officials and the Minister for Finance, Hon Max Evans, it was indicated that certain reassurances were likely to be given, but this would not involve a statutory obligation for the reassurance. Without wanting to sound suspicious, it is not good enough that the Treasurer of the day is left to determine what form, how often and what detail of the agreement will be provided for the scrutiny of Parliament.

Mr COURT: The Government does not support the Opposition's amendment. After a briefing, the Under Treasurer explained the Leader of the Opposition's concerns to me. I confirm that the Government will amend the Treasurer's instruction to require that annual reports contain reporting on the agreement, the gross expenditure, the gross revenue and the amounts that have been retained. The Government also undertakes that the CRF Estimates presented to the Parliament will show the gross expenditures and the revenue to be netted against those expenditures. Proper scrutiny by the Parliament is important, so the Government undertakes to include an outline of the agreement in the Program Statements, so that agreements will be part of the Budget papers. During the Estimates Committee debates it will be possible for members of both Houses to ask questions on all those matters.

Dr Lawrence: That is most unsatisfactory because the Treasurer's instructions do not have the same force.

**Amendment put and negatived.**

**Clause put and passed.**

**Clause 4: *Lotteries Commission Act 1990* amended -**

Dr LAWRENCE: This clause achieves very little. It is hard to see on the face of it what is desired by the Treasurer, because all that will happen is that the funds that are at the moment paid into various accounts - for instance, the Lotteries Commission account and the hospital fund - will be required to be paid to the credit of the new consolidated fund, but then will be subsequently appropriated to the fund as originally described in various Acts. That is known in the jargon as hypothecation. Those funds are available for scrutiny already. This clause seeks to provide a cosmetic change that is not in accordance with McCarrey's recommendations. I am not necessarily in favour of those recommendations, but it is not clear what the clause is attempting to achieve, apart from single consolidated reporting. That, I suppose, is marginally helpful, but the question is whether this is a first step towards implementing the McCarrey recommendations, which is the abolition of hypothecation, effectively the Lotteries Commission funds, the road trust funds, etc. If that is the Government's intention the Opposition would like to know about it now rather than later. If it is not the Government's intention, what does the Treasurer expect to be the benefits of undertaking that change for what appears to be essentially cosmetic purposes? I would like the Treasurer to indicate whether as a result of this Bill the payment of revenues into various funds will be subsequently appropriated completely or only in part? For instance, when a certain amount of money is paid into the sports lottery account, the arts lottery account or the hospital fund, is it intended to

diminish the amount of funding paid to those bodies? In other words, is the subsequent appropriation 100 per cent of what is currently paid into those funds or only part of that? That would be a confirmation of some members' suspicions that this would be a partial removal of hypothecation.

Mr COURT: The Government has no intention to change the way in which hypothecation currently works. The full amounts being appropriated will go across to be spent. In fact, that cannot be changed except by legislation. The Government is trying to provide more accountability by including it in the CRF Estimates because it is more difficult to find where the money has come from in the Budget papers. This brings the matter more into the open so it is easier to find. At this stage the Government is not talking about changing the way in which hypothecation works. The McCarrey report recommends a review of that matter. The concern is that when permanent revenues are identified for certain areas, that does not necessarily lead to the best use of those funds.

Dr LAWRENCE: Mr McCarrey said that hypothecation revenue by Statute is an undesirable process and that such revenue and associated expenditure should be incorporated in the consolidated fund estimates. He is not suggesting a review, he is saying it should be done. At some point in the report he indicated that he did not believe the Government would do it, but he recommended that it should.

Mr Court: We are not changing it.

Clause put and passed.

Clauses 5 and 6 put and passed.

Clause 7: *Transport Co-ordination Act 1966* amended -

Dr LAWRENCE: The previous clauses that passed without comment basically deal with various hypothecated funds that are now included in the consolidated fund, but only for reporting purposes. In each case the Treasurer has assured the Opposition - and we will ensure he sticks to this - he has no intention of removing the hypothecation. In one or two cases hypothecation should be removed because of the lack of flexibility for the Treasurer.

Mr Court: Give us a couple of years.

Dr LAWRENCE: The Treasurer said he would not do it.

Mr Court: I said it is not our intention to do that.

Dr LAWRENCE: I draw the Chamber's attention to the equivocation of the Treasurer. Apparently his intention not to do it does not mean he will not do it. If members on this side of the Chamber were included in a proper consideration of some of these matters there might be some willingness to consider loosening up on some of those hypothecated revenues, because it restricts the Treasurer and the Government of the day in providing for priority areas of expenditure, and insists that funds should be provided for purposes of our Statutes. It diminishes the flexibility of the Treasurer and of the Government. As a former Treasurer I am aware that a reasonable case could be made out for amendments to the relevant Statutes, but we are not proposing that should happen in an ad hoc way. A careful and thorough consideration of the matter is needed. Perhaps it should be referred to the Public Accounts and Expenditure Review Committee for consideration.

In the case of bodies like the Lotteries Commission and the Healthway Fund, no-one on this side of the Chamber would support changes. However, other areas such as a loosening and greater discretion on the part of the Treasurer of the day would be contemplated by the Opposition. I make that offer to the Treasurer because the time has come for us not to simply slavishly follow some of these Acts which have been in place for a very long time and which now represent a potential distortion of expenditure of Government funds.

Mr Court: I accept that.

Clause put and passed.



**Clause 8: Amendments to the *Financial Administration and Audit Act 1985* relating to "Consolidated Fund" -**

Dr LAWRENCE: This is the third element of the Bill to which I referred during the second reading debate and which provides for the establishment of the consolidated fund. As I made it very clear in my speech, this is not a panacea for clear accounting of the Government's financial transactions and certainly does not represent a basis on which comparisons can be made between Western Australia's finances, using these reporting arrangements, and those of other States. Government finance statistics are already published by the Australian Bureau of Statistics, which give a better basis on which to make comparisons. I seek, firstly, the Premier's assurance that there will continue to be proper accounting using Government financial statistics, the ABS guidelines in the Budget papers and the Treasurer's Financial Statements so that they can be read by members of the House and ordinary interested parties. There appears to be no provision - I understand it is likely to be in the statements, but it is not in the Bill - for continuing reporting, on the same basis as is currently followed, of the consolidated revenue fund and general loan and capital works fund transactions. This is particularly important given that comparisons are likely to be made for at least some time between what applies now and what has applied in the past. From this Bill I do not see how it will be possible to determine what would normally have constituted the CRF or the general loan and capital works fund for the purpose of the current reporting arrangements. We will not be in a position to make comparisons easily with previous Budget results because the new fund will disguise the two components of which it is composed. That is a shortcoming and I seek the Treasurer's assurance that both the Estimates and the Treasurer's Annual Statements will enable comparisons to be made for at least five years so that commentators and others can clearly check the State's financial performance against previous years in both these areas of appropriation.

Mr COURT: Under these arrangements there will be a clearer definition between the capital and the recurrent side. The Government intends to continue reporting along the lines of the Government financial statistics. In this area we are bringing the two appropriation accounts together. Approximately 100 other trust accounts - some quite large operations like the Western Australian Water Authority - are not included in the overall basis. I understand that the standardisation of Government accounts being worked towards on a national basis will eventually mean the consolidation of all those Government operations.

Dr Lawrence: I don't know whether they are consolidated, but they are certainly fully reported. The local government sector is available for the scrutiny of Parliament.

Mr COURT: It is then that a clearer picture will be given of the situation. We are talking about two appropriation accounts. We will continue to report in that manner so that those comparisons can be made.

Dr LAWRENCE: I appreciate the Treasurer's saying future reforms will be undertaken to achieve national uniformity. Agreements have been reached between Treasurers and Premiers which are now being effected and the ABS basis will be used. I congratulate Treasury which has been very forthcoming and cooperative and helped frame the form of those arrangements. Will the statements in this year's Budget and the Treasurer's Annual Statements allow for the transactions to be identified which would have been formerly part of the CRF and general loan and capital works fund in order to make comparisons between what applied last year or the year before and this year until we have all made the transition? It is a bit like having two scales for temperature - for a while one needs to have a basis on which to make comparisons.

Mr COURT: I am advised that they will be broadly equivalent, but not identical. In some cases assets will be brought out of one account which will be accounted for differently. However, they will be only one-off situations as we move over to that new system.

**Clause put and passed.**

**Clause 9: Amendment to the *Constitution Act 1889* relating to the Consolidated Fund -**

Dr LAWRENCE: An amendment to the Constitution Act 1889 is required to change the name of the CRF. Although it is not a major amendment, my understanding is that it therefore requires an absolute majority at the second and third reading stages.

The CHAIRMAN: I am advised that it is necessary to have an absolute majority only for a major amendment to the Constitution Act, such as changing the number of members of Parliament.

Dr Lawrence: The Opposition does not intend to oppose the clause; I am making the point to ensure an absolute majority of members is here at the time the vote is taken in order to prevent a waste of the Chamber's time.

The CHAIRMAN: I draw members' attention to, section 73 on page 1.18 of "Acts and Other Information Relating to Parliament".

Dr Lawrence: I think we are looking at the same section; it is obviously an interpretive matter. We will accept your judgment, Mr Chairman.

**Clause put and passed.**

**Clauses 10 to 17 put and passed.**

**Clause 18: Transitional -**

Dr LAWRENCE: I am at odds with the Government over the retrospectivity provisions of this clause, apart from anything else. This clause gives the Government the leeway it needed, as I understand it, to treat money in a way that is consistent with this Bill without making it retrospective. These transitional arrangements might allow that to occur. However, this clause reminds us of the retrospective nature of this legislation. The Opposition totally opposes this Bill's being used in this way and oppose the principles that are adopted in a number of cases. With appropriate transitional arrangements for retrospectivity in the application of certain funds, we would have been less offended if the whole Bill had not been retrospective as it has in clause 2.

Mr COURT: I accept those comments. As I said earlier, this is a new Government sitting in the middle of the year. I know it would have been preferable to bring in a Bill such as this before the end of the financial year, before the Budget Bills are introduced. However, we have to get it through before we deal with the Budget Bills. In order to bring about the necessary reforms this year, we consider this to be the best way to implement the system we propose. Working out the best way that we could do this and relating it to the forthcoming Budget has not been without its problems. There was a lot of to-ing and fro-ing on this matter. However, we decided on this path to ensure that we could present it in our first Budget this year.

**Clause put and passed.**

**Schedules 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.

Bill read a third time, on motion by Mr Court (Treasurer), and transmitted to the Council.

*House adjourned at 5.57 pm*

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## QUESTIONS ON NOTICE

## BEELIAR REGIONAL PARK - ESTABLISHMENT

144. Mr McGINTY to the Minister for the Environment:

When will the Beeliar Regional Park be formally established?

Mr MINSON replied:

Currently there is no legislation for formal establishment of regional parks. I am having discussions with my colleagues about the implementation of our policy and until these are completed it would be inappropriate to indicate a timetable for Beeliar.

## SOUTH WEST DEVELOPMENT AUTHORITY - PEEL DEVELOPMENT COMMISSION

*Departments and Agencies, Staff Numbers in Area Covered; Community Organisations Receiving Government Funding in Area Covered*

238. Mr D.L. SMITH to the Minister for the Environment:

(1) How many staff in each of the departments and agencies the Minister is responsible for were located at each of the towns and cities located in the area covered by the Peel Development Commission and the South West Development Authority as at -

(a) 1 February 1993;

(b) 1 June 1993?

(2) Will the Minister list all the community organisations which received State Government financial support or funding from departments or agencies under the Minister's supervision in the area covered by the South West Development Authority and the Peel Development Commission in 1992-93 and specify -

(a) the amount of funding;

(b) the number of staff positions supported by that funding;

(c) whether that funding is -

(i) recurrent;

(ii) one-off;

(iii) for a limited term and how long that term is;

(d) the location or area covered by the services provided by that organisation;

(e) whether the Minister has decided or a department or agency has recommended ceasing or reducing the amount of this support and, if so, what agencies and amounts are involved?

The answer was tabled.

[See paper No 242.]

## STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - DOMESTIC ELECTRICITY ACCOUNTS

*Discounts, Pensioners and Low Income Earners*

466. Dr GALLOP to the Minister for Energy:

What discounts on domestic electricity accounts from the State Energy Commission of Western Australia now exist for pensioners and other low income earners in the -

(a) metropolitan area;

- (b) non-metropolitan area?

Mr C.J. BARNETT replied:

SECWA does not provide any discounts on domestic electricity accounts. However, a supply charge, establishment fee and dependant child rebate is available to eligible holders of the appropriate benefit cards.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - DOMESTIC GAS ACCOUNTS**

*Discounts, Pensioners and Low Income Earners*

467. Dr GALLOP to the Minister for Energy:

What discounts on domestic gas accounts from the State Energy Commission of Western Australia now exist for pensioners and other low income earners in the -

- (a) metropolitan area;  
(b) non-metropolitan area?

Mr C.J. BARNETT replied:

SECWA does not provide any discounts on domestic gas accounts.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - DOMESTIC CONCESSIONS, AMENDMENTS**

468. Dr GALLOP to the Minister for Energy:

- (1) Are there any plans currently being considered by the State Energy Commission of Western Australia, the Minister or the Minister's staff, or by any other agency of Government, to amend SECWA's domestic concessional entitlements?  
(2) If yes, in what way?  
(3) If yes, when will they take effect?

Mr C.J. BARNETT replied:

- (1) No.  
(2)-(3) Not applicable.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - REBATES**  
*Applications; Rejections*

469. Dr GALLOP to the Minister for Energy:

- (1) How many pensioners applied for the State Energy Commission of Western Australia's rebates in the 1992-93 financial year?  
(2) How many are expected to apply in the current financial year?  
(3) How many applications were rejected or are expected to be rejected in each of these financial years?

Mr C.J. BARNETT replied:

- (1) At the end of the 1992-93 financial year 194 500 customers were eligible to receive rebates from SECWA.  
(2) A similar number of customers are expected to be eligible to receive rebates from SECWA in the current financial year.  
(3) SECWA does not reject applications from customers with an appropriate current entitlement card - Department of Social Security, Department of Veterans' Affairs and Seniors' Cards.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - NEW  
CHARGES**  
*Consultations*

472. Dr GALLOP to the Minister for Energy:

- (1) What bodies were consulted in establishing the recently-announced State Energy Commission of Western Australia's level of rates and charges for the 1993-94 financial year?
- (2) Will the Minister state who first proposed those level of rates and charges -
  - (a) SECWA;
  - (b) Treasury;
  - (c) the Minister's office
  - (d) another agency of Government;
  - (e) outside consultants;
  - (f) none of the above?

Mr C.J. BARNETT replied:

- (1) None.
- (2) SECWA.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - NEW  
CHARGES**  
*Consultants Employment*

473. Dr GALLOP to the Minister for Energy:

- (1) Were any consultants employed to help reach any of the decisions made about the State Energy Commission of Western Australia's 1993-94 level of rates and charges?
- (2) If so, who?
- (3) What was the level of remuneration?
- (4) Are they still employed by SECWA and/or the Minister's office?

Mr C.J. BARNETT replied:

- (1) No.
- (2)-(4) Not applicable.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - NEW  
CHARGES**  
*Administrative Cost*

476. Dr GALLOP to the Minister for Energy:

What was the administrative cost of implementing the 1993-94 tariff system for the State Energy Commission of Western Australia?

Mr C.J. BARNETT replied:

I am advised that minimal cost was incurred.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - NEW  
CHARGES**  
*Advertising Cost*

477. Dr GALLOP to the Minister for Energy:

What has been the cost of advertising associated with the new State Energy Commission of Western Australia charges for 1993-94?

Mr C.J. BARNETT replied:

\$5 455.09 is the advertising cost associated with the new SECWA charges for 1993-94.

STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - BUSINESS  
ACCOUNTS; DOMESTIC ACCOUNTS

*Totals, Higher and Lower*

480. Dr GALLOP to the Minister for Energy:

What is the State Energy Commission of Western Australia's -

- (a) expected gross profit;
  - (b) expected net profit;
- for the 1993-94 financial year?

Mr C.J. BARNETT replied:

The State Energy Commission of Western Australia's projected financial result for the 1993-94 financial year will be available as part of the State Budget papers.

STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - ACCOUNTS

*Business, Higher Bills; Domestic, Lower Bills*

481. Dr GALLOP to the Minister for Energy:

For each of the State Energy Commission of Western Australia's -

- (a) metropolitan areas;
- (b) non-metropolitan areas -
  - (i) how many businesses accounts are expected to experience higher total SECWA bills for 1993-94 than they did in 1992-93;
  - (ii) how many domestic accounts are expected to experience lower total SECWA bills for 1993-94 than they did in 1992-93?

Mr C.J. BARNETT replied:

- (a)-(b) (i) Standard tariff business customers can achieve savings of up to 10.6 per cent on a cost per unit basis. Some business customers are able to achieve further savings by moving to a time-of-use tariff. Account totals will vary according to consumption.
- (ii) All domestic customers will see a reduction in 'real terms' in the cost per unit of electricity and gas. Account totals will vary according to consumption.

STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - BUSINESS  
ACCOUNTS; DOMESTIC ACCOUNTS

*Totals, Higher and Lower*

482. Dr GALLOP to the Minister for Energy:

For each of the State Energy Commission of Western Australia's -

- (a) metropolitan areas;
- (b) non-metropolitan areas -
  - (i) how many domestic accounts are expected to experience higher total SECWA bills for 1993-94 than they did in 1992-93;
  - (ii) how many businesses are expected to experience lower total SECWA bills for 1993-94 than they did in 1992-93?

Mr C.J. BARNETT replied:

- (a)-(b) (i) All domestic customers will see a reduction in 'real terms' in the cost per unit of electricity and gas. Account totals will vary according to consumption.
- (ii) Standard tariff business customers can achieve savings of up to 10.6 per cent on a cost per unit basis. Some business customers are able to achieve further savings by moving to a time-of-use tariff. Account totals will vary according to consumption.

#### GOVERNMENT AGENCIES - BUDGET 1992-93, FUNDS RETURNED TO TREASURY

493. Mr RIPPER to the Minister for Primary Industry:

- (1) Were any agencies for which the Minister is responsible required to return funds budgeted for 1992-93 to Treasury?
- (2) If so, for each agency -
  - (a) what was the total amount returned;
  - (b) what amounts were deducted from the budget allocations for each program and subprogram?

Mr HOUSE replied:

I refer the member to my reply to question 314.

#### COUNTRY HIGH SCHOOL HOSTELS - FUNDING POLICY CHANGE

501. Mrs HALLAHAN to the Parliamentary Secretary representing the Minister for Education:

Does the Minister intend discontinuing the policy of country high school hostels retaining 15 per cent of operating deficits and losing 85 per cent of operating surpluses and instead guaranteeing 100 percent deficit funding for financially non-viable country high school hostels?

Mr TUBBY replied:

The Minister for Education has provided the following reply -

The current funding arrangements require a college with an operating deficit to carry 15 per cent of that deficit forward until the college receives audit clearance, at which time the remaining 15 per cent is cleared. College audits are conducted in March. Where there has been no financial impropriety, audit clearance and the clearing of the carry-over deficit occurs soon after. There is no intention at this time of changing these arrangements.

#### GOLDFIELDS GAS PIPELINE PROJECT - ENERGY PRICES REDUCTION *State Agreement*

503. Dr GALLOP to the Minister for Energy:

- (1) Does the Government stand by its claim that the Goldfields gas pipeline will reduce energy prices in the region by up to 50 per cent?
- (2) What type of state agreement, if any, does the Minister intend to apply to the Goldfields gas pipeline project?

Mr C.J. BARNETT replied:

- (1) Yes. From the expressions of interest received we believe it can be achieved.
- (2) A facilitating agreement to be ratified by the State Parliament. Details are yet to be determined.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - GOLDFIELDS  
GAS PIPELINE PROJECT**

504. Dr GALLOP to the Minister for Energy:

- (1) Has the Minister indicated to the State Energy Commission of Western Australia in any way that it is not to submit a bid for participation in the Goldfields gas pipeline development?
- (2) Has SECWA undertaken any studies of the technical and economic aspects of the proposed Goldfields gas pipeline?
- (3) If yes, what are their conclusions?
- (4) Has SECWA employed any consultants to advise it on aspects of the proposed Goldfields gas pipeline?
- (5) If yes -
  - (a) who;
  - (b) under what terms of reference?

Mr C.J. BARNETT replied:

- (1) No.
- (2) Yes.
- (3) Studies are continuing.
- (4) Yes.
- (5)
  - (a) Credit Suisse First Boston.
  - (b) SECWA has used CFSB to perform financial analysis of the project.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - SECURITY  
DEPOSITS ABOLITION**

*Refund Method; Billing Arrangements, Changes*

507. Dr GALLOP to the Minister for Energy:

With reference to the Government's decision to abolish security deposits for power supplies to business-

- (a) by what means will the deposits be returned;
- (b) will billing arrangements be altered to take into account the credit risks associated with different customers?

Mr C.J. BARNETT replied:

- (a) By way of credit refund to the customer's energy account or by cash refund on a case by case basis.
- (b) Yes.

**ROBE RIVER IRON ASSOCIATES - IRON ORE (ROBE RIVER) AGREEMENT  
ACT, DISCUSSIONS**

509. Dr GALLOP to the Minister for Energy:

- (1) Has Robe River Iron Associates approached the Minister or the Department of Resources Development in respect of its obligations under the Iron Ore (Robe River) Agreement Act 1964?
- (2) If yes -
  - (a) what aspects of the State agreement were discussed;
  - (b) for what reason?
- (3) Does the Government have any plans to change the State agreement?



Mr C.J. BARNETT replied:

(1)-(2)

Robe River Iron Associates has not approached me regarding any specific obligation under the Iron Ore (Robe River) Agreement Act. My discussions with Robe River have been of a general nature covering company operations in the Pilbara.

(3) No.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - STREET LIGHTING**  
*All Night Arrangements*

511. Dr GALLOP to the Minister for Energy:

(1) What arrangements are currently in place between the State Energy Commission of Western Australia and local councils in respect of all night street lighting?

(2) Are any changes proposed?

Mr C.J. BARNETT replied:

(1) SECWA currently offers local authorities the option of all night street lighting or a dusk to 1.15 am switch off time. Currently approximately 40 per cent of street lighting is all night lighting.

(2) SECWA would prefer all night street lighting in all areas and is currently reviewing its position. It is intended to hold discussions in the near future with local authorities who are still on 1.15 am switch off time to try to influence them to change to all night street lighting.

**WATER AUTHORITY OF WESTERN AUSTRALIA - ACCOUNTING STANDARDS, SAME AS 1992-93**

536. Mr THOMAS to the Minister for Water Resources:

(1) In reference to questions on notice 404 to 430 of 1993, have the same methods been used to calculate the answers for 1993-94 as applied in 1992-93?

(2) If not -

(a) in what way do they differ;

(b) why?

Mr OMODEI replied:

(1)-(2)

Same accounting standards applied.

**WATER AUTHORITY OF WESTERN AUSTRALIA - BUSINESS CHARGES, INCREASE**

539. Mr THOMAS to the Minister for Water Resources:

How many metropolitan businesses have experienced an increase in their total Water Authority of Western Australia bills for this year, compared with their bills last year?

Mr OMODEI replied:

The number of commercial and industrial properties which experienced an increase in their total annual charges in 1993-94, including the general increase of 3.4 per cent, is 14 156. Note: Combined water, sewerage and drainage charges; many properties do not have all utilities available.

## QUESTIONS WITHOUT NOTICE

### MEAGHER, DR TIMOTHY - LETTER TO MEMBER FOR FREMANTLE *Prima Facie Contempt of the House*

115. Dr LAWRENCE to the Speaker:

- (1) Has the Speaker considered whether a prima facie contempt of the House has occurred as a result of a letter dated 1 August 1993 being sent to the member for Fremantle by Dr Timothy Meagher, which threatened legal action if the member made certain comments within the House or without?
- (2) If so, what action does he intend to take?

The SPEAKER replied:

(1)-(2)

Members may know that it is contrary to standing orders for a member to ask the Speaker a question without notice. However, I had some notice of this question and I would like to make a very brief comment with regard to the letter read to the House this morning by the member for Fremantle. Certain words included in that letter suggest that the final comments could represent a breach of privilege. Immediately I heard those comments I discussed the matter briefly with the Clerk and sought to meet with the member for Fremantle, but he was occupied at the time. At a later stage during the lunch suspension I met with the member for Fremantle and the shadow Leader of the House, and I have indicated I am continuing my examination of the matter and expect to be able to make a statement to the House within an hour or so.

### ABORIGINES - GOLDFIELDS, MORTALITY RATES PROBLEM

116. Mr McNEE to the Premier:

- (1) Is the Premier concerned about reports on mortality rates of certain Aboriginal groups in the goldfields?
- (2) What action does the Government plan to take to address the problem?

Mr COURT replied:

(1)-(2)

Yes, we are very concerned about this problem and have been for many years. I take this opportunity to say that I appreciate the openness of the member for Kalgoorlie's comments in the Press this morning in relation to this matter. A couple of years ago I visited most of the fringe dweller people in Kalgoorlie, and their situation was appalling. I had discussions with the Federal member for Kalgoorlie, Mr Campbell, who was quite open in saying that the Federal Government had been trying to address the problem in a number of ways but had been unable to find a way to assist during the winter when the problem became more pressing.

On his first day as Minister for Health, Hon Peter Foss gave a commitment that he would give Aboriginal health issues top priority. He has implemented some 19 initiatives related to Aboriginal health issues and has been able to bring together the expertise of the Aboriginal Affairs Planning Authority and the Health Department to develop a coordinated approach while at the same time negotiating with the Australian and Torres Strait Islander Commission and the Federal Government in an attempt to delete a lot of duplication and wasted resources in this area.

I believe the member for Kalgoorlie would agree that in his area alone a number of programs have not been properly coordinated in the past when delivering Aboriginal health services. I am aware that good work is being carried out in Kalgoorlie by Professor Fiona Stanley, who is seeking to

involve the Aboriginal people in the development and implementation of programs. I said as part of a statement I made a few weeks ago related to the Mabo debate that the Government is developing a social justice task force to look at a range of issues. Mr Michael Daube has accepted responsibility for heading that group.

A person by the name of Pat Nunn was mentioned in today's paper. I had an opportunity to speak to her when the coalition parties held a conference in Kalgoorlie a couple of weeks ago. She explained to me on the Sunday the problem reported in the paper this morning. I had discussions with the Minister for Health about that problem. He explained to me the work already being undertaken in that area. Quite tragically, on the Saturday night of our conference Pat Nunn informed me of the loss of another fringe dweller as the result of an alcohol problem. That was not something I was pleased to hear about.

The Government is implementing a health strategy related to these matters. A task force will work over the next six months to come up with a number of proposals. This is one area where I believe both political parties can work together because when in Opposition I was able to work with members from the other side on such issues. In particular, the members who represent the Kalgoorlie area, the member for Kalgoorlie and the member for Eyre, along with the Federal member have always been open in their discussions about the way we can improve the situation of Aboriginal people. I hope that continues.

Mr Bridge: I have listened very carefully to the Premier for five minutes and what he has said is the kind of thing that has been said by Government after Government. I have sat here for 13 years and heard many people say these things; nothing new has been said. What is the Premier suggesting are the imaginative steps which must be taken in this matter, because that is where a solution lies?

Mr COURT: I agree with the member for Kimberley; this is an extremely difficult problem to resolve. We are talking about a significant group of fringe dwelling communities at not only Kalgoorlie, but other towns where this problem exists. This problem will take years to resolve. It must be addressed in both a short and long term manner. I do not know the answers to the problem, but I assure the House that the Government is committed to finding them.

I have said before that it is unfortunate that we have been concentrating on things such as the Mabo debate, because I do not see that as helping to resolve the problem we are addressing. If members want my opinion, the most likely areas we can use to improve long term prospects for these people are finding employment opportunities for the children leaving school and improving the way in which health services and health care are provided to these communities. We are all appalled when we visit and see just what is taking place, and we will leave no stone unturned to try to improve that situation.

#### WATER RATES - CHARGES INCREASE, AFTER 1 JULY 1993

117. Dr LAWRENCE to the Premier:

I refer to the fact that the Government has now been seriously embarrassed on two occasions because in its haste to legislate by press release Cabinet has overlooked the retrospective effect of proposed changes to the law. In the case of the workers' compensation legislation, the Minister is being forced to back down by degrees. I ask the Premier, now that the Opposition has revealed to him that his increase in water charges and the change to the basis for rating are being applied

retrospectively, whether he will direct that the increased rates be charged only for water consumed after 1 July 1993.

Mr COURT replied:

The question about water rates is most appropriately put to the Minister for Water Resources, who will explain to the Leader of the Opposition anything that she wants to know about water charges. In respect of workers' compensation legislation, I suggest the Leader of the Opposition wait until we announce those changes within the next two weeks.

**TRADES AND LABOR COUNCIL OF WA - MINISTER FOR LABOUR  
RELATIONS, CONSULTATION ATTEMPTS**

118. Mr DAY to the Minister for Labour Relations:

In light of the continuing suggestions by the Trades and Labor Council of Western Australia that the Minister has been unwilling to consult with the union movement, will the Minister inform the House of attempts by him over the last three weeks to get the TLC to consult?

Mr KIERATH replied:

I thank the member for the question, because the answer is really interesting. We now see a situation where the TLC wants us to delay the consideration of our industrial relations Bills before this House, yet it always had all the opportunity in the world to be involved in the discussions but refused to do so. Members would know that the second reading of the Bills was on Thursday, 8 July. I gave draft copies of the Bills to the TLC on the Tuesday, which was the morning after the day on which Cabinet had approved them. Therefore, the TLC was the first group to get a copy of the Bills. It is interesting that by 9 July, the TLC had in its possession a nine page summary by some legal firm - I will not mention the name of that legal firm - and I must say that many of the assumptions in that summary were quite wrong and involved very colourful language.

The following week, on Wednesday, 14 July, I convened a meeting of the Labour Relations Advisory Council, of which the TLC was part. It was called after I promised that I would convene a meeting for the express purpose of discussing with it the industrial relations Bills. At that meeting, the TLC said it had not yet made up its mind about whether to simply oppose the Bills or to participate. The TLC said it was scared about participating because it did not want to be seen to be giving our Bills tacit support.

I then asked the TLC, "What sort of deadline do you want?", because the deadline on any proposed changes from that meeting was the following week, 21 July. The TLC said, "We will not be meeting until Friday, the 23rd." I said, "If you have that meeting on the 23rd, can you give me a response by the weekend?" The TLC said, "No. It will take us a few days to do that. We can give you a telephone response on the Monday, and a written response by the following Wednesday, 28 July." Therefore, I again made an exception for the TLC and said, "I will allow you to get written submissions to me before 28 July so that I can take them into account and take them to Cabinet." That is the process that I have been going through. Yet what did we have on Monday, 2 August? We had Mr Meecham and a bunch of clowns march up to my office, knowing full well that I was at Cabinet, with a list -

Mr Brown: The Minister has consulted with the Chamber of Commerce and Industry for four to five months over changes to the industrial laws, yet expects the Trades and Labor Council to respond in two to three weeks.

The SPEAKER: Order! The member for Morley should learn very quickly that after he has made a brilliant interjection he should wait for it to be savoured by the House rather than continue to give small doses of it.

Mr KIERATH: Mr Meecham fronted up with a four and a half page submission which contained all sorts of falsities and deliberate misinformation and did not really address the issues. The Trades and Labor Council said it had not had enough time to analyse the Bills so had not been able to do so. I said I would run through the Bills with the TLC on the following day - the Tuesday. However, Mr Meecham said he would be unavailable. I asked him where he would be and he said he was going to the Eastern States to an Australian Council of Trade Unions meeting. However, he had time to issue a press release there, attacking us over here.

Mr Meecham did not tell us, but on the Friday he was well enough informed to present a detailed, 13 page analysis of our three industrial relations Bills to the Australian Institute of Petroleum; yet on the following Monday he created a media stunt, saying that he had not had enough time to respond to the Bills. We have given the TLC every opportunity to be informed, but it seems that some people will not be brought to the altar to talk sensibly. The TLC's attitude has been one of inactivity, time wasting and grandstanding. I am really disappointed that it is interested only in playing games rather than in making constructive comments. That sort of attitude makes me wonder why I worked so hard to give the TLC and unions a role in the workplace agreement system.

#### ABORIGINES - KALGOORLIE FRINGE DWELLERS

##### *Aboriginal Leaders More Concerned with Mabo Issue, Minister's Comments*

119. Mr TAYLOR to the Minister for Aboriginal Affairs:

Before posing my question I say to the Premier that I appreciate the action he has taken in relation to the Kalgoorlie fringe dweller issue. Mike Daube in particular will have my full support.

I refer the Minister for Aboriginal Affairs to the comments he made on ABC radio today to the effect that his consideration of the Kalgoorlie fringe dweller matter was very much influenced by the fact that the Aboriginal leaders to whom he had spoken were more concerned with the Mabo issue than with health issues. Will the Minister consider trying to move to one side his political views and those of his party on Mabo when addressing the issue of Aboriginal health? Comments that draw Mabo and unnamed Aboriginal leaders into this issue will not help resolve the problem Kalgoorlie has faced for many years.

Mr MINSON replied:

I thank the Deputy Leader of the Opposition for his question because it allows me to expand a little on this matter. When I became the Minister for Aboriginal Affairs I had very clearly in my mind that the areas of health, education, housing and employment were of paramount importance to Aboriginal people in Western Australia. I know the Deputy Leader of the Opposition shares my concern in that regard, and I echo the comments of the Premier. I too have met with a number of political people in the Kalgoorlie area, including the Federal member for Kalgoorlie, Mr Campbell, and I too have had good meetings and a good reception. I suppose that this morning I expressed a certain amount of the frustration that I have felt in trying to get Aboriginal leaders to focus on these social issues. I am very disappointed that they seem far more intent on trying to drive a political agenda. I refer to the dinner which I hosted here a few weeks ago for the National Aboriginal Day Observance Committee, when I informed the leaders of Aboriginal communities in

this area that I was not particularly concerned with the Mabo issue as it applied to Aboriginal people because, frankly, after reading the High Court's decision I believe it does not contain much for Aboriginal people in Western Australia. I said that, as Minister, I was much more concerned with the four areas I have mentioned. Afterwards, one of them said in a disdainful tone that I was straight out of the 1960s. That disappointed me very much because as I travel around Western Australia I see sights like Nanny Goat Hill and the outskirts of Newman which have existed for some time. As the member for Kalgoorlie said, for a long time the problems have been beyond the wit of that member and many other people to solve. I have spent much time in the five months I have been in office, trying to find a solution to the problems.

I do not wish to concentrate on the Mabo issue but this morning, and on television since, I expressed the frustration I feel trying to put in place genuine programs in consultation with Aboriginal leaders to address these social issues. All I get in reply is, "Don't bother me with the issues that belong to the paternal attitudes of the sixties; we want to talk about Mabo and land rights." I will continue to address these social issues. I am heartened by the cooperation by the Minister for Housing and the Minister for Health. I have had one meeting, and intend to have another shortly with the Minister for Education to address all these issues.

Mr Bridge: You should understand people saying that. The historical fact is that their companion for 200 years has been terra nullius.

Mr MINSON: I find it incredible that the former Minister can make such a comment when he has been in this place for a long time. If I were the member I would leave the Chamber for a while, because his Government achieved nothing for these people.

#### MARIJUANA - LEGALISATION

120. Dr TURNBULL to the Attorney General :

Doctors in Western Australia have noticed an increasing number of people, including young men, who are suffering severe effects from their use of marijuana. A significant number of people involved in road and work accidents are affected by marijuana. It concerns me that people have called for the legalisation of marijuana. Can the Attorney General inform the House whether the Government has any plans to legalise marijuana in Western Australia?

Mrs EDWARDES replied:

I thank the member for the question. I know that she has a longstanding interest in this matter. No, the Government has no plans to legalise marijuana. The issue of the legalisation of marijuana has become a hardy annual. I note that an Opposition member in another place recently criticised this State's drug laws and called for an end to the drug law prohibition, particularly laws relating to the use of marijuana. That member must be aware that such proposals are unlikely to succeed as she does not even have the support of many of her own parliamentary colleagues. For instance, the Deputy Leader of the Opposition, when faced with similar proposals put forward by the then member for Perth, Dr Ian Alexander, is on record as saying -

I think it is a most unusual way to deal with the issue of drugs in our society by softening up legislation.

Perhaps the member in another place had taken heart from the comments of her leader, the member for Glendalough, on this issue when she said -

Unadulterated and taken under suitable conditions by normal well adjusted persons, marijuana is a harmless inducer of a pleasant and

relaxed state. An unknown but increasing number of people in Australia use marijuana and LSD in spite of the fact that both are illegal and disapproved. The law must either allow the freedom to alter one's state of consciousness or it must stop pretending that it is just.

But even the Leader of the Opposition has had a change of heart, because she vowed not to support Dr Alexander's Bill; nor did she support marijuana law reform. It would seem that the calls in another place for changes to our drug laws are doomed when the member's own parliamentary leaders do not support the stance she has taken.

#### WAGES - ACCORD MARK VI \$12 RISE, CHANGE DECISION

121. Mrs HENDERSON to the Premier:

I draw his attention to a decision by his Minister for Labour Relations to cut the pay of 20 000 of Western Australia's lowest paid Government workers by an average of \$3 a week. This decision affects cleaners, gardeners and caterers - most of whom earn around \$18 000 a year - and stems from the Minister's decision to convert a 1991 Accord Mark VI flat pay rise of \$12 to a 2.5 per cent rise, effectively a lesser amount for most workers.

(1) Will the Premier overturn the Minister's decision?

Mr Kierath: It was your action, not mine.

Mrs HENDERSON: Excuse me, I am asking the question.

Mr Kierath: I'm telling you.

Mrs HENDERSON: I am not asking the Minister for Labour Relations the question because we have already heard his kind of answers. To continue -

(2) If not, how does the Premier justify the Minister's actions in light of hardship already facing families as a result of the Government's steep increases in taxes and charges?

(3) How do the Minister's actions accord with the Premier's claim that no worker would be worse off under a coalition Government?

Mr COURT replied:

(1)-(3)

I am informed that the decision was made in January under the previous Government.

Dr Lawrence: Not correct.

Several members interjected.

The SPEAKER: Order!

Mr COURT: If members opposite want to talk about putting people into poverty, I point out that the number of people living in relative poverty in this State skyrocketed under the previous Government. We never used to discuss poverty in this House, but after 10 years of a Labor Government poverty became an issue. If the member wants to question decisions made in the Industrial Relations Commission under her Government, I suggest that she read her Cabinet minutes!

#### LEAD LEVELS IN PETROL - CANBERRA CONFERENCE OUTCOME

122. Mr JOHNSON to the Minister for the Environment:

Can the Minister report to the House on the outcome of the round table conference recently held in Canberra on the subject of lead levels in fuel?

Mr MINSON replied:

I thank the member for the question, which provides an opportunity to indicate that I now understand, to a certain extent, the blinkered approach often adopted by Canberra. I attempted at the meeting to get the Ministers on the eastern seaboard to concentrate on outcomes rather than inputs, but I could not achieve a glimmer of understanding from some of those people. They concentrated on petrol lead levels. We have lead levels in the atmosphere and the blood of Western Australians that is consistently below the levels set by the National Health and Medical Research Council and the World Health Organisation. Despite the fact that we are already at the point at which the Eastern States wants to reach, people from that side of the country still want to concentrate on lead in petrol in Western Australia.

I have already informed the House that on 1 July the petrol lead level was reduced from 0.6 per cent to 0.5 per cent. In mid-1994 the level will reduce to 0.4 per cent. A meeting will be held in November this year of the international board of British Petroleum Ltd following which a timetable will be announced by which the lead content will be reduced from 0.4 to 0.15 per cent and then to nearly zero. I thank BP for its cooperation in Western Australia in reducing our petrol lead levels.

An alternative to spending hundreds of millions of dollars is to close the refinery and import all of our fuel. No-one wants that. I hope that commonsense will prevail and that the Federal Minister and those in Canberra, New South Wales and Victoria will begin to understand that it is not just a matter of the lead level in petrol, but ultimately the lead level in the atmosphere and the blood stream of the population. I reminded these people that in Western Australia we have achieved the levels they are trying to achieve, and that they should stop trying to set levels across Australia which are simply inappropriate to the areas concerned.

#### ENTERPRISE AGREEMENT - BHP IRON ORE LTD

123. Mr GRAHAM to the Minister for Labour Relations:

I refer the Minister to the recent enterprise agreement negotiated between BHP Iron Ore Ltd and the union movement -

- (1) When did the Minister receive a copy of the agreement?
- (2) From whom did the Minister receive a copy of the agreement?
- (3) Does the Minister comprehend that the agreement was successfully negotiated under the existing industrial relations system by unions, which therefore obviates the need for his draconian changes to the industrial relations system?

Mr KIERATH replied:

(1)-(3)

I agree with one part of the member for Pilbara's question: The agreement was a product of the existing system. The Government has never said that the existing system is not moving forward; it has said that it is not moving fast enough. Members opposite missed that vital element. The industrial relations system is fine within a large organisation like BHP with substantial industrial relations resources, and union involvement. Members opposite fail to understand that less than 30 per cent of workers in the private sector are members of unions. Under the previous Government's system the 70 per cent of workers who were non-union members did not enjoy the fruits of that system. The Court Government made a commitment that all people in Western Australia would be treated



equally and fairly. The Government has opened up the system so that not only union members but all workers can enjoy the fruits of enterprise bargaining.

*Point of Order*

Mr GRAHAM: I asked the Minister a relatively simple question: Has he seen the agreement and, if so, who gave him that agreement? I did not ask him to give a policy speech on industrial relations. Mr Speaker, would you please ask the Minister to answer the question?

The SPEAKER: The astute member for Pilbara will know that this House does not lay down guidelines on how questions are answered. It might be a very good case for a guideline. I call on the Minister, and I assume that he will shortly conclude his answer.

*Questions without Notice Resumed*

Mr KIERATH: This Government will ensure that the fruits of enterprise bargaining are available to everyone in Western Australia whether they are a union member or not.

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