WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
SECOND SESSION
1998

LEGISLATIVE COUNCIL

Wednesday, 9 December 1998

Legislative Council

Wenesday, 9 December 1998

THE DEPUTY PRESIDENT (Hon John Cowdell) took the Chair at 2.00 pm, and read prayers.

BILLS - ASSENT

Message from the Deputy of the Governor received and read notifying assent to the following Bills -

1. Road Traffic Amendment Bill.

2. Botanic Gardens and Parks Authority Bill.

TIDAL POWER PROJECT, DOCTOR'S CREEK

Petition

Hon Greg Smith presented the following petition bearing the signatures of 432 persons -

> To the Honourable the President and members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.
>
> We the undersigned ask the state government take whatever steps necessary to ensure the successful establishment of a tidal power project in Doctor's Creek at Derby.
>
> Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

[See paper No 577.]

STATUTES (REPEALS AND MINOR AMENDMENTS) BILL

Order Discharged, and Bill Referred to Standing Committee on Legislation

On motion of Hon Norman Moore (Leader of the House), resolved -

> That order of the day No 34, Statutes (Repeal and Minor Amendments) Bill, be discharged from the Notice Paper and the Bill be referred to the Standing Committee on Legislation.

STANDING COMMITTEE ON PUBLIC ADMINISTRATION

Direction to inquire into Privatisation and Contracting Out Public Services - Motion

Resumed from 3 December on the following motion -

> That the House direct the Standing Committee on Public Administration to inquire into the processes and outcomes of privatisation and the outcome of contracting out public services in the following terms -
>
> (1) The extent to which state government enterprises have been privatised since February 1993.
>
> (2) The economic and social impact of transferring state owned enterprises to the private sector.
>
> (3) The cost and quality outcomes of privatisation in terms of the level of savings or additional costs that have resulted from the provision of services by private contractors instead of by government.
>
> (4) The extent to which state government contracts or tenders have since February 1993 been awarded to -
>
> (a) Western Australian companies or businesses;
>
> (b) other Australian companies or businesses;
>
> (c) foreign owned or controlled companies or businesses; and
>
> (d) regionally based businesses.
>
> (5) The extent to which risk is transferred from the public sector to the private sector and to which government companies or businesses are given government guarantees before agreeing to invest in large scale public sector projects.
>
> (6) The extent to which policies have been introduced to guarantee the Western Australian public against financial default by private contractors.
>
> (7) The extent to which "contracting out" of state public services has resulted in greater competition.

(8) The extent to which initiatives have been introduced to prohibit the practice of private companies acting as cartels, rather than competitors, and thereby combining resources to tackle large scale projects.

(9) The extent to which current tendering practices ensure that -

(a) the process is open and fair;

(b) proper procedures are being followed; and

(c) mechanisms are in place to check the qualifications, credentials and financial backgrounds of those seeking contracts.

(10) The extent to which appropriate checking mechanisms are in place to allow regular monitoring of the performance of contractors and that the Government has in place a set of procedures to deal with breaches of contracts.

(11) A set of criteria or conditions which would allow the Parliament to make judgment on what constitutes "confidentiality" when referring to government contracts.

(12) The extent to which the competitive nature of contracting out has led to employees of contractors being paid below usual rates of pay and conditions.

(13) The extent to which government departments and agencies are prejudiced in the contracting arrangements when private contractors are able to legally pay their employees lower wages and conditions.

(14) The extent to which the Government should specify certain minimum requirements of contracting, including the requirement to -

(a) pay to employees a wage not less than that of an employee of the Government doing comparable work might be paid;

(b) subject the work under contract to the same level of public and parliamentary scrutiny as applies in the public sector; and

(c) the same level or nature of good corporate citizenship as that expected of government departments or agencies.

(15) Any other matters relating to privatisation and contracting out of government services as the committee deems necessary.

HON MAX EVANS (North Metropolitan - Minister for Finance) [2.08 pm]: This request for the Standing Committee on Public Administration to inquire into the privatisation and contracting out of public services is most amazing. Fortunately, this Government has learnt from history. That is why I need to begin the debate on this point.

Hon Tom Stephens: You are determined to live in the past, minister. That is your problem.

Hon MAX EVANS: The Opposition lived in the past. I will tell the Leader of the Opposition what it did, if that is what he wants to know. This Government learnt from the excesses and errors of past Governments. Those Governments engaged in privatisation and not much contracting out. Brian Burke had a honest view when he entered government. He thought he could make money like the four-on-the-floor boys around town. He said he had all this government money and needed to make it work for the Government. He said the Government needed to invest the money and make big profits, which would avoid the need to increase taxes for Western Australians. That was his aim and, given his background, it was an honest intent. He was not well advised at the time, but that is what he wanted to do. Unfortunately, he was taking advice from the four-on-the-floor boys, and although they went very fast, none of them could keep up with him.

Let us look at government finance during that time. Over 10 years the recurrent expenditure was in excess of recurrent income by $13m, and $9m of that came from the reduction in the parliamentary superannuation fund. In 1989 the Government paid $9m into the consolidated fund, so it could pay wages; it did not have a proper fund for parliamentary superannuation. Even if this motion passes through this House, from my knowledge and experience of what the other ministers have done, I am sure that in time the Government will be congratulated for what it has done and how it has handled its business deals.

The Government has learnt from the mistakes of the Labor Government. The Labor Government's first big deal was almost the reverse of privatisation. Northern Mining Corporation NL held a large number of shares in Argyle Diamonds. Argyle Diamonds prepaid $50m of royalties up-front, for which it received a tax deduction. That was a good deal. The Government established a state development fund with that money. That still exists today. The fund bought Northern Mining from Alan Bond. That saved him facing a few problems. Then John Horgan of the Western Australian Exim Corporation Ltd advised the Government not to hold on to Northern Mining for too long. The Western Australian Diamond Trust was set up with

a guaranteed 8 per cent return. The Labor Government went astray when it set up the Western Australian Development Corporation. That was on Easter Thursday 1987, which was a good day because the Government would not attract any flak in the Press. There was a full page story in newspaper on the Easter weekend. The Labor Government said it was just doing what Liberal Governments had done - that is, appoint Liberal Party members to boards. Members opposite complain about what this Government is doing, but the former Government did the same thing. Maybe we should change, and appoint members of the Labor Party to boards, but I doubt we would be that silly. Nearly all the members of the WADC board were members of the Labor Party. Hon Tom Stephens will remember when the WADC was set up. It invested in the cattle industry in the north west in a big way. That is something a Liberal Government would not have dared go into to make money.

Labor Governments have done a lot of things around the country over the years. The New South Wales Government decided on a policy of sale and lease back of its rail network. That raised about $200m a year for the then Premier Neville Wran. In Victoria, John Cain made $600m from the sale and lease back of trams, trains and ferries. That was done at a time of high interest rates, and was a financial disaster. This Government arranged for the sale and lease back of motor cars, and that money has gone to repay debt. I was not critical of the previous Government when it became involved in cross-border leasing of rolling stock in the Western Australian railway system. That was a good move.

Hon Jim Scott referred to the North West Shelf development. I think he has been misled by comments made in the House about the deals that went on before he became a member. The final term of reference of the Royal Commission into Commercial Activities of Government and Other Matters related to the North West Shelf Gas project; that was added on at the end. Sir Charles Court spent weeks and weeks getting the evidence together, but the royal commissioners in their wisdom said there was no case to be answered. Sir Charles was disappointed, because he would like to have presented all the facts on that. The project was based on a take-and-pay policy. Hon Tom Stephens knows that the investment would have been recovered in time. David Parker tried to renegotiate the agreements. I understand that Bob Hawke had to intervene to maintain the status quo - agreements cannot be unscrambled at such late notice.

Hon N.D. Griffiths: He saved the State's finances by an injection of several million dollars.

Hon MAX EVANS: He did not, and we can debate that whenever Hon Nick Griffiths would like. The Government has learnt not to become involved in export development. One of Exim's high profile activities was the restructuring of the Kimberley Pastoral Company. The aim of the program was to assist the long-term viability of the industry in the face of cattle stripping. That was a reasonable aim. Through its subsidiary, WA Livestock Holdings Ltd, Exim set about the task of reversing the decline in the Kimberley cattle industry. However, that avoided the requirements of the State Trading Concerns Act. When Exim Corporation came along, that Act stated that the government could not be involved in any profit-making ventures without going to Parliament. There was a let-out for the Labor Government, because they were all loss-making ventures! The Labor Government probably got away with that because the State Trading Concerns Act did not come into place when there were losses, only when there were profits. WA Livestock Holdings took over the Emanuel properties. There were five or six stations.

Hon Tom Stephens: Is the minister sure this speech is on the right motion?

Hon MAX EVANS: I am pointing out how this Government learnt from the mistakes of Labor Governments. This Government's privatisation policy is right, and I am pointing out where the Labor Government went wrong.

Several members interjected.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order! The minister has the call and we will hear his comments on the motion.

Hon MAX EVANS: Privatisation is the selling off of government operations on the basis that private operators can do better. The previous Government lost the first $7m it allocated to Exim. Clyde Holding, the then Minister for Aboriginal Affairs in the Federal Government, allocated $6m towards the cost of buying livestock. Exim showed a huge profit when it sold the livestock, because it wrote down the value from $8m to $1.4m.

There were problems about the payments that were made to board members. I hope the present board members do not read my speech, because they will find out that the director's emolument that we pay is lousy compared with that paid by the previous Government. In 1985-86 directors' emoluments amounted to $71 000.

Hon Derrick Tomlinson: That was in 1985 values - what would it be in current values?

Hon MAX EVANS: That is right. Exim Corporation Ltd had already lost $7m, and had got another $6m from the Federal Government, but it paid large amounts to directors - nearly all Labor -

Hon Ljiljanna Ravlich: What has this got to do with the motion?

Hon MAX EVANS: Members opposite are giving us flak about Liberal Party members on boards. In 1988-89, the Labor

Government paid $93 332 for the pre-payment of directors' fees. The fees for 1987-88 were $301 992, and in five months during 1986-87 were $115 451. In 17 months, the total was $510 735, which was an average of $85 000 per person. That is what we had to contend with.

Exim became involved in a business migration trust, which was a good idea. It spent many hundreds of thousands of dollars to attract migrants to Western Australia. That is not the business that government should be in. This Government has kept clear of such matters. In 1987-88, the WADC directors' fees were a measly $687 748! One director received nearly $300 000. Members might remember that John Horgan received $1m in his last year with Exim, and a further lump sum of $1m when he left.

The Government has learnt from mistakes that were made in the past. The Government placed those companies into liquidation. There were still a lot of matters to be sorted out with the cattle companies up north, and most of them have been cleared up.

The motion refers to the extent that government enterprises have been privatised since 1993. The sale of the State Government Insurance Office was put in place by a former Labor Minister for Finance, Dr Geoff Gallop.

Hon Ljiljanna Ravlich: There was a $50m debt.

Hon MAX EVANS: The member should open her mouth, I cannot hear what she is saying.

The DEPUTY PRESIDENT: Order, minister!

Hon MAX EVANS: I did not want to miss the member's interjection, Mr Deputy President.

The DEPUTY PRESIDENT: Order! Minister, that is not an appropriate instruction to give to the member.

Hon MAX EVANS: The SGIO was a part of the State Government Insurance Commission. Under the previous Government, the SGIO operated on a cash receipts and payments basis.

Point of Order

Hon LJILJANNA RAVLICH: Which part of the motion is the minister addressing?

Hon MAX EVANS: I told the member a second ago.

Hon LJILJANNA RAVLICH: I raised a point of order with the Chair, I am not asking the minister.

The DEPUTY PRESIDENT: There is no point of order.

Debate Resumed

Hon MAX EVANS: I will repeat it again so that it is clear. Paragraph (1) reads -

> The extent to which state government enterprises have been privatised since February 1993.

The State Government Insurance Office has been privatised since then. The member was not around here, thank God. However, we have to put up with the member now.

The State Government Insurance Commission owned two operations, the SGIO and the Motor Vehicle Insurance Trust, which brought across a separate operation. That immediately made it a wealthy operation which had reserves, whereas the SGIO had no reserves at all. It worked only on a cash receipts and payments basis. The legislation had been passed and the Government picked up the operation. We were very smart and engaged Ron Cohen as the man to organise the sale of SGIO. At the time, we made amendments to the Workers' Compensation and Rehabilitation Act, which has been followed by the problems that we have today.

Hon Ljiljanna Ravlich: What an absolute success that was - $150m down and you want to take it from the backs of the workers.

The DEPUTY PRESIDENT: Order!

Hon MAX EVANS: She is taking my time, Mr Deputy President.

Hon Ljiljanna Ravlich: You are wasting mine, unless you say something of substance.

Hon MAX EVANS: The member spoke for three one-hour sessions on this matter.

The previous Government had $100m in the SGIO. Initially it was going to float off about $65m. By the time we made changes and put it altogether, we got about $145m. We had to put an extra $35m of capital into it and in the end we got about $120m, which is a lot better than $65m. The amount of $65m would have shown a loss of $35m on the balance sheet; that is the money that the SGIC had invested in the SGIO. Therefore, in working it through, we made a very good deal.

Some members not sitting in this place at the moment bought shares in SGIO and impatiently sold them early. Those who held onto them did well in recent times. I was neither one nor the other. The SGIO was all set up and, being in the business of insurance competing with the private sector, it turned out to be the right thing to do. I am not sure what the initiative was of the previous Government to do that, whether it did not have the money or it was not running too well with the wrong staff, board, etc. However, I changed the board of SGIC which orchestrated this operation prior to its sale.

BankWest is referred to also in paragraph (1). Initially, I was worried about BankWest and thought that surely we could make as much money as other banks. When we looked at it, its capital on prudential standards was about $4m, which had to be about 4 per cent of total assets or lendings. The private banks were up to 8 per cent and legislation was going to be brought in to ensure that the state banks had the same capital ratio as public companies. The State Bank of South Australia and the State Bank of Victoria had collapsed. In other words, the state banks had inadequate reserves. This Government would have had to inject another $300m or $400m of capital into BankWest just to maintain the status quo. Yes, we could have lent it out and earned a small interest rate; however, that would have taken a lot of government money out of circulation. The other thing about running a bank is that there is still the risk of making big mistakes. Tricontinental and the State Bank of Victoria did that. I am not blaming the Government, which may have had something to do with it. However, Government's have to wear the mistakes of state banks. Many banks in America went broke at the same time. At the end of the day, the Government was always going to have to stand behind those mistakes; which is what happened in Victoria and South Australia.

Therefore, there are two reasons why we would not put another $400m or $500m into that operation. We also wanted to be relieved of any liability. It was suggested at one stage that we should sell off only half. Members might remember that just before the 1993 election, there was a big move, by Carmen Lawrence or Marcelle Anderson who had not really thought it through, to merge Challenge Bank and BankWest. No-one had analysed how that was going to work out and that did them more harm than good. At the election it was seen to be a great coup with the business community in WA. The Government was going to do a big business deal to bring the two banks together. It had not worked out what Westpac eventually worked out; that is, that the name "Challenge" must be kept as the Challenge Bank and it had far more deposited money than had Westpac or BankWest. That is why it came back with the "Challenge Bank" name. The old Perth Building Society had huge sums of money in that bank.

BankWest was then put on the market and eventually the Bank of Scotland came into the State. It wanted to get into the Asian market and it realised that one of the best places to do that was in Perth. No matter where one is in Asia, one must fly in and out of other places. The Bank of Scotland had worked out from other contacts that it was far better to be in Perth than in Victoria or New South Wales because with the seven-hour time difference in summer time, one can always contact Perth in business time as opposed to Melbourne and Sydney, which can never be contacted. That was one of the reasons that bank came to Western Australia. That has been a good move.

I have ticked off the SGIO through which we made a big profit of roughly $165m rather than $65m. I have ticked off BankWest, which was a very good deal for everybody. We did not need to be involved in that operation as we could not afford to have $400m or $500m in capital out of circulation. The next issue, State Print, is more contentious mainly because of the unions. State Print had a lot of work practice problems. It had a big colour printing press which had four employees operating it and should have had only two employees. It could not run anything at a profit. The Government looked at different ways of improving it. At the end of the day, the Government thought it was better to sell off the plant and equipment. That is all it did. Mercury Press bought State Print. It held it for two or three years and hand-balled it on. It could not make much money out of those assets either. Therefore, the Government did not make a profit out of that but we stopped making a loss. That was a business that we need not have been in; it caused much conjecture at the time mainly because of the pressure of the unions on the Opposition. That was another sale which went on for a long time because to sell anything, one must show that a profit can be made.

Hon Ljiljanna Ravlich: So, how did you get rid of State Print then?

Hon MAX EVANS: As I said, we sold it at a loss. We sold just the plant and equipment. The attitude was that, because it would keep making losses, the Government would not sell it! The employees do not want a new employer as half of them would be sacked or changed around to make the business profitable. The situation with Fairplay Print is public knowledge. It was owned by the Totalisator Agency Board. The employees knew I was going to get rid of 6PR and Fairplay Print. Therefore, what did they do? They made more and more losses. It was unsaleable. Originally, it was worth about $1.5m and it was losing money all the time. It could not even pay the rent to the TAB. Therefore, the TAB said it would sell the building and Fairplay Print would have to pay its rent to some arm's length landlord. State Print was in much the same condition.

Hon Ljiljanna Ravlich: I shouldn't have asked.

Hon MAX EVANS: I will finish off with Fairplay Print so that the historians can follow what went on. I changed the board to get rid of the codes on the TAB. Ray Walker, who had been the managing director of the Hospital Benefits Fund and a cost accountant, worked in Fairplay Print full time for 12 months to make certain there were jobs and that it made a profit.

He turned it right around and made a good profit in those 12 months and sold it off to Sands print, an operation over east involving Sands cards, etc. We got close to $1.5m which was what it was revalued at on the books. Originally, it was on the books for about $180 000, the TAB, the Turf Club and the Trotting Association having one-third each. We privatised that and I am very proud of the fact we did that. Roger Hussey was the Chairman of the TAB Board and Ray Walker was put on the board to bring that about. I return to the point of why should we keep making losses if we cannot sell something. With union practices at State Print, it was not possible to change it around.

I know the state Hospital Laundry and Linen Service very well. I helped it open the door back in the days when John Tonkin was there. Someone may tell me what year that was.

Hon Tom Stephens: 1976.

Hon MAX EVANS: I was the receiver of a plumbing business, F. Instones of Fremantle. The airconditioning and the pipes had to be completed in order to get the business up and running because John Tonkin wanted to be able to say that in his last term in government he had done something. That was a big achievement in his Government.

Hon Tom Stephens: Are you talking about while he was still Premier?

Hon MAX EVANS: Yes, I am. I was the "plumber" and finished it off so that he could say that he had done a wonderful job. At that stage, on sheer size, the Hospital Laundry and Linen Service was not a bad operation. In the early 1980s someone agreed to double or treble the size of it, which is where the problems arose. It was far bigger than was needed for the available business in Western Australia and South Australia. It was battling to make a profit. It is very hard to sell something that can never make a profit. It was never going to have the volume of work on that size of business. It was always going to be very hard for a Government to pump money into a business to maintain a huge loss factor in order to put every other private laundry out of business. That is not a very popular thing to do. However, it would have needed to dig up all the laundry business in Western Australia for that operation and probably it still would not have made it work.

Hon Ljiljanna Ravlich: Did you try to improve productivity?

Hon MAX EVANS: It tried for a long time, as did the workers, on just the sheer size of the operation. Many of those workers are working with the new operators. It was just too big; the whole investment was just too much. However, it is going very well now.

Radio station 6PR is another entity that we have privatised. There was a lot of flak at the time. The station was owned by the Totalisator Agency Board. That was a funny deal too. The Western Australian Turf Club and the Western Australian Trotting Association owned it. The Turf Club bought it from a couple of entrepreneurs around town who generated a few other bits and pieces. The Turf Club sold it to the trots, which lost money hand over fist. The TAB tried to subsidise it. The previous Government then arranged for a sale. The purchase price on the books was actually $5m, and the Labor Government gave another $5m on the side. 6PR cost $10m, but only $5m showed up in the accounts of the TAB. That is the sort of deal that was happening at the time. We had an underhand effort to prop it up and not show all the facts. There was a bit of trouble selling 6PR. The staff tried to buy it out on the basis of the hundreds of thousands of dollars of freebies that they would give on air, which had no real commercial value. That went on for quite some time. It was sold for $4.5m or $4.6m, which was a pretty good deal, but it had cost $10m. That got us out of a problem. The TAB is no longer in the printing business or in the radio business.

Every other day someone asks, "Why haven't you privatised the TAB?" We might as well consider what we have and have not done when we discuss the extent to which state government bodies have been privatised since February 1993. Labor members are likely to ask, "Why didn't you privatise the TAB? Our great Labor friends in New South Wales have done it, and our Labor friends in Queensland tried to do it but failed, but you have not even tried to do it."

Hon Ljiljanna Ravlich: You're leaving the best until last. You will privatise everything else and then you will privatise the TAB.

Hon MAX EVANS: It is sad to see how commercially illiterate some people are. I will give members opposite a little lesson in accounting. The Victoria TAB was sold off because the Government pumped in the right to put 45 000 slot machines into the Melbourne market. TABCORP Holdings Ltd got 22 500 and Tattersalls got 22 500. The Victorian Government gave them a licence to print money, changed the board and wrote off $96m of bad computer development costs, said, "Right, you're off", and gave a good shareholding to the racing codes and floated it off. It tried to get $825m. The Labor Party said, "If we get into government again, we will take it over again." It was a bit like British Steel - it was privatised one year and taken back the next and privatised again after that. As a result of that the Government received about $90m less than expected. It is now worth about $2.4b. That was the mistake of the Liberal Government in Victoria. As I have said many times, it should have held onto it, developed the business and then sold it off for about $2b. It put everything in place - the licence to print money, the board and so on - and since then it has restricted the number of slot machines to 30 000; 2 500 at the casino and 27 500 between the other two operators.

We then considered what happened in New South Wales. It floated off the TAB. Merchant banker ABN Amro said, "Unless you have a source of income, you have nothing to sell." I had a business which increased by 5 to 8 per cent every year, but the New South Wales TAB had stood still for the past three or four years. One cannot float a business that is standing still. The New South Wales Government then decided to put all slot machines in New South Wales online to run jackpot systems. There were many complaints from clubs, which said that they would need to do 28 per cent extra turnover to make the same profit because of the cost of putting in that jackpot system. It turned out that ABN Amro said the clubs would need a 50 per cent increase in turnover but that it would never happen - they would never have such an increase in turnover. The New South Wales Government said, "We cannot float this off", and it went and bought Sky Channel, which was worth $160m, for $280m. I was in Michael Egan's office in Sydney last year - the purchase was completed just the day before - and he said, "Here it is; you've got it."

Queensland is in the same position as we are in; it can utilise no other revenue source. Queensland already has slot machines in hotels, clubs and so on. It tried to sell it off but the racing codes wanted too much; therefore, Mr Beattie was going to give up his returns from the TAB. Western Australia receives about $35m from the TAB, and Mr Beattie probably receives about $70m. To float it off, he was going to capitalise part of the money to go to shareholders. As I have said, the racing codes wanted too much. That is why it is not a saleable asset in this State. We do not intend to put in slot machines. Our income is up about 9.8 per cent this year, income in New South Wales is up only 2 to 3 per cent, and Queensland is struggling. We have made a good profit and that money is going to the Government and, more important, to the racing industry. It is important that the racing industry gets going; it needs large sums of money. Western Australia is the only State in which the racing industry takes more money than the Government from revenue generated. The New South Wales Government receives about $350m and the racing industry receives about $120m. In Western Australia last year about $41m went to the racing industry and $35m went to the Government. That is why it cannot sell the TAB.

Members will ask, "Why don't you sell off lotto?" South Australia is talking about selling off lotto, the TAB and the casino. It is a matter of trying to put three bad things together and making a bad scrambled egg. The South Australian Government is still considering how to do it. There is no way that I would want to sell our lotteries. We could still distribute the money in the same way. It is an excellently run business.

Hon Ljiljanna Ravlich: You are not selling off lotto?

Hon MAX EVANS: I am confirming that there is no way we would sell lotto. Several merchant bankers and people from Tattersalls in Victoria have come over here and asked, "Why don't you sell it? We can do better." Tattersalls would take 1.5 per cent off the $400m. It would get a $6m fee for the George Adams Trust as well as its operating costs. We do not intend to sell lotto, even though South Australia might sell its lotto. Victorian lotto has been run successfully by a private company for a long time. The George Adams Trust was brought from Tasmania back to Victoria, where it started, to run Tatts and the lotteries in Victoria.

The great disposal was Stateships. It actually occurred much faster than we expected. The previous Government struck an unbelievable financing deal through Westpac. I do not have the figures at the moment, but the deal involved tens of millions of dollars. Under the agreement there was a short period of six months - a window of opportunity - to buy it out then or wait for another five years. We would have been stuck with those three ships for another five years, paying huge sums of money. We tried to find out how we could make more money and reduce costs on the wharf and so on. Eventually there were major strikes. It is now history that Stateships was sold. Hon Eric Charlton did a very good job by getting rid of it. We saved the State a great deal of money. The Government was pumping millions of dollars every year to maintain a most inefficient operation, but Hon Ljiljanna Ravlich believes that taxpayers' money should go down the drain.

Hon Ljiljanna Ravlich interjected.

Hon MAX EVANS: She believes that we should pump taxpayers' money into inefficient, ineffectively run work practices.

Hon Ljiljanna Ravlich interjected.

The PRESIDENT: Order! Hon Ljiljanna Ravlich should not encourage the Minister for Finance to move on to another tangent.

Hon MAX EVANS: The member wants to talk about the enterprises that have been privatised, those that have not been privatised and why the Government has not done so.

The Government has indirectly privatised. Many of the jobs at the Midland Workshops are now undertaken by the private sector and many of the employees are still doing the same work. Only 250 employees do the work needed to be done on behalf of Westrail. Unfortunately they could not agree to downsize and the doors were closed. As Hon Eric Charlton found, many people were very happy and got new jobs. Facilities in the south were able to take on the work done in the north west in upgrading stock and putting it back on the rails. For many years that service was not available. We had the State Railway workshops and the Midland Workshops, and they were combined.

Hon Ljiljanna Ravlich: How many more?

Hon MAX EVANS: Reference is also made to the House directing the standing committee to inquire into the economic and social impact of transferring state-owned enterprises to the private sector. I have said and I repeat: This Government has saved the State an enormous amount by transferring functions to the private sector.

The State Government Insurance Office could have been a problem. The Government had to inject more money because an insurance company must have a certain capital ratio.

Hon Ljiljanna Ravlich: Where are the figures? Why not table the savings in Parliament?

Hon MAX EVANS: What figures?

Hon Ljiljanna Ravlich: You are telling us you have saved money. Give us the figures. Where is the information? It is simple. We cannot simply take your word for it.

Hon MAX EVANS: The Totalisator Agency Board is now a much more efficient business. I got rid of radio station 6PR, which was a waste of time and money. The racing industry now has its own radio station - Racing Radio. It can do wall-to-wall broadcasting from 7.00 am until 10.00 pm. The old people would listen to 6PR, but they did not like listening to the racing. Pressure was applied and I directed that racing broadcasts stop at 3.00 pm. With the new arrangement there can now be wall-to-wall broadcasting of racing and that has increased turnover from $500m in 1994 to $800m this year with a 17 per cent return, which means that between $50m and $60m in extra profit is going back into racing. The member can see the books showing those figures. People want to listen to racing. The facts are there for the member to see. The member probably cannot read a balance sheet, but I will teach her if she wishes. The turnover of $735m this year will increase to $800m.

The Government also reorganised its racing printing business. *Goodform* was costing too much, so it was privatised. We now have *TABform*, which is published every Monday, Wednesday and Friday.

Hon Bob Thomas: I refuse to buy it.

Hon MAX EVANS: That is why the member is not backing winners.

Hon Bob Thomas: The profits are not going to the TAB, that is why.

Hon MAX EVANS: *TABform* is published in *The West Australian*. That move means the Government covers all the costs. The dividends come back to the Government, which puts more money back into running the TAB. The racing industry is huge in this State and the dividends are going to the pacing, racing and chasing codes; that is, thoroughbreds, trotters and dogs. The TAB was getting no return on the money spent on printing. It was paying too much. Two or three years ago the Turf Club contracted Vanguard Press to do its printing, and I believe it has not saved very much money. I have had an immediate return on dividends as a result of that move and that is borne out in the accounts.

I have already talked about the social and economic benefits. Workers at Health Care Linen are happy with their work. They are running an efficient and effective operation. It is dramatically overcapitalised, but they can still run it properly.

State Print was costing a fortune. The cost of printing was well above the market price. The Government was doing more and more work to prop it up, which amounted to cross-subsidisation. One need only look at the loss the Department of State Services was making. The Government stopped those losses and most people are doing better by getting their work done elsewhere.

The social and economic impact of transferring BankWest to the private sector has been demonstrated. In fact, it has been amazing. The Government has used the $900m achieved as a result of the sale to reduce debt. The interest payment of $45m a year now goes back into government coffers.

The gas pipeline is another good example of the benefits that can be enjoyed. The pipeline cost about $1b and the State had about $1b of debt. With 100 per cent debt, one must have a good business to make money. The volume of gas coming down the pipeline has been very slow to increase. The take-or-pay policy means that the Government pays $300m for gas from the north west. When the sale was first proposed it was believed that the Government would be lucky to get back that $1b. However, the course of events has been very kind and this State has enjoyed very big social and economic benefits. The Government still owns the land the pipeline occupies - the width has been increased from 30 to 100 metres - and a second or third pipeline or Hon Ernie Bridge's pipeline can be accommodated. The big issue is that it was sold for $2.4b, which means we made about $1.4b more than we expected to make. The immediate benefit is that about $120m has been saved in interest payments that can now be used for schools and hospitals.

The State was earning no dividends from AlintaGas, which was part of the former State Energy Commission. In the second last year it was in office, the previous Government started getting small dividends of about 5 per cent on turnover; that is, about $25m a year. It then picked up the losses and it has grown since then. The interest debt on energy and gas services

was crippling this State. This Government has kept the price of electricity and gas static over the years. The State has enjoyed huge benefits as a result of the sale of those state-owned enterprises. Once again, I am sure any committee would praise the Government for what it has done.

The third paragraph refers to the cost and quality of outcomes in terms of the level of savings or additional costs that have resulted from the provision of services by private contractors instead of by government. The cost of printing would have increased after the privatisation of the services provided by State Print because it was highly subsidised by the Government.

The State Government Insurance Office has been a great success story. It took over the State Government Insurance Commission of South Australia, which was in trouble. SGIC was very big in the health insurance business. Wesfarmers tried to take it over because the balance sheet was not looking good. However, the National Roads and Motorists Association, the largest company in Australia, decided to come in. I believe the business will be as good as or better than it was because it has a bigger base. The NRMA wanted to tap into the facilities resources of SGIC - it had extensive experience in health insurance and the NRMA wanted that expertise. Many years ago a New South Wales Labor Government closed down the private workers compensation scheme. Now that the workers compensation insurance is being underwritten by the private companies, the NRMA will probably pick up between 25 and 30 per cent of that market. It wants expertise in handling workers compensation insurance and it will also pick up that from the SGIO, so there will be benefits all round. A growth occurred that would not have been possible under the government regime. A new board was established and Ron Cohen, an aggressive, successful businessman, made it happen.

I refer to the extent to which government contracts have been awarded to Western Australian companies or businesses. When this Government came to office, the bureaucracy said the Government had to do something about infill sewerage because the previous Labor Government had not given it any money for infill sewerage. Twenty-five per cent of Western Australian properties had no underground sewerage system. As there were no votes in it, the bureaucracy said it could not get subsidisation similar to that provided in New South Wales and Victoria for infill sewerage. The previous Labor Party was spending only $16m a year on infill sewerage. We would never catch up to the deficit at that stage, valued at about $800m. The Government decided something had to be done in the future because, as many people in country electorates, particularly the south west, know, at certain times of the year sewage in some towns runs down the street because the high water level cannot cope with the septic tank systems.

How has this helped Western Australian companies? The Government increased the amount spent in this area from $16m to $65m in the first year, and by year four it was $80m a year. That started off the Water Corporation trying to let out big contracts of about $20m each. Many of the smaller plumbing businesses said they were not game to take the risk of bidding for a $20m contract. However, they would bid for a contract worth $2m, $3m or $5m. We helped myriad small plumbing businesses get into the business because of these smaller contracts. A huge number of Western Australian businesses have been helped by the infill sewerage program.

Hon Ken Travers: With most of those smaller contracts, is there any training for occupational, safety and health issues? A number of companies are going bust.

Hon MAX EVANS: Which way?

Hon Ken Travers: In infill sewerage; I can name three.

Hon MAX EVANS: It is not our job to protect them. They go into business with a contract. That is the business risk they take and I cannot be a nursemaid. They accept the contract. The member must get a list of everyone that went down, and tell me how many went broke and how many have not; there would be many who have not. The member will find that the voters in Bassendean and Bayswater have now a quadruplex site instead of a single site and have become very wealthy with the good blue collar workers out there. I am glad they could do that because the previous Labor Party did nothing for them in those areas before and we have done that. We let out the contracts. We cannot nursemaid the employers.

Hon Ken Travers interjected.

The PRESIDENT: Order! Hon Ken Travers will have an opportunity later on to speak.

Hon MAX EVANS: The previous Government had a great way of doing accounting. The State was losing about $200m per annum on the Transperth system - it is only about $4m a week! It asked itself how it could reduce the appearance of many losses. It decided it could put about a third or 25 per cent of all licence fees, which should have gone into roads, into Transperth to reduce the loss - about $44m a year. It was money that should have been going into roads. We made a calculated decision that within four years the total amount of money would go into roads in Western Australia; $11m the first year, and $22m, $33m and $44m in the following years. That adds up to $100m that we have put into roads. We had to pick up the losses made by Transperth out of consolidated fund; it was losing that revenue. We were maximising the amount of money going to roads. Despite what the Opposition said yesterday about the Minister for Transport, it has had a very big impact. That has translated into jobs for good, ordinary workers around the State; many blue collar workers work on the roads, right out in the back blocks on bulldozers and so on. That is a great credit to us. Western Australian companies and businesses are getting the benefit of that money and that is how it should be.

Hon Ljiljanna Ravlich: Tell us about the hospitals and the great shape they are in.

Hon MAX EVANS: The member is talking only about privatising and contracting out. P & O at Shenton Park has done a marvellous job with the orderlies. The orderlies previously had to ask if they were required to work today or tomorrow and they were told, "We will let you know later." The P & O orderlies are doing a marvellous job. That is contracting out and the member would not know.

Hon Ljiljanna Ravlich: You have people dying -

Hon MAX EVANS: It has nothing to do with it.

The PRESIDENT: Order! Hon Ljiljanna Ravlich, I do not need a running commentary of the member's views on the subject. In due course she will be able to wind up. All the member's interjections almost amount to that speech already.

Hon MAX EVANS: The member is talking only about the contracting out. As I know from my own experience and contacts, that has gone very well for them. The professional staff get patients moving quicker and better than ever before with the unionised orderlies. The meal service is better at some hospitals than others. That has worked out much better. If members ask hospitals that have contracted out, they will find that that has gone very well and we are very proud of what we have done in that regard.

We are being forced to implement security on trains. We started off with the Public Transport Union boys and there were many problems about how they wanted to work, but that has been contracted out and I give credit to the previous minister. We have done a marvellous job. People seem to be much happier to travel on trains.

Another one that has always been a bit controversial and not one that I would say has all gone ahead perfectly for different reason is the cleaning of schools. Benchmarks were determined for what it should cost per square metre and that has worked out fairly well. Naturally problems will always be found, but I think at the end of the day this had to happen. We do not have to worry about the managing of those jobs. Years ago Quirk Corporate Cleaning, under Stan Lauder, was cleaning our office and Dennis Lillee was a partner. Dennis would tell me, "I can be out in the nets at South Perth having a bowl and somebody will ring up to say that the cleaners haven't turned up, so you had better stop training and clean up the place." Somebody had to organise these things. Within government, there are no headmasters or teachers to follow up the cleaners. All this responsibility was delegated to ensure the job was done. After a few years I was not happy with what our cleaners were doing so, although Stan was a good friend of mine, I decided to sack him and I found it was the best thing I ever did for him; he has one of the biggest businesses in Perth. If a company does not get the right foreman on the job to do the company's job properly, the company does not have that job. If the schools do not have the "foreman" there, the cleaning is better done by the private sector. On many occasions it was the people who wanted to work and had done it before who got the work. Companies that use better plant and equipment and become more efficient and effective will make more money than they did before. A job that previously took five persons can now be done by four persons and therefore the company can pick up 20 per cent more money.

Regarding contracts being awarded to foreign-owned or controlled businesses, P & O was doing the orderlies job and the food job at the different hospitals. It is foreign owned; P & O is an English company. It has a large subsidiary in Australia which has taken over many Australian companies in the food servicing business. Dealing with regionally based businesses, the Government has done a great deal of work on road maintenance, and it will do more in the future. A lot of that work will be contracted out to regionally based businesses. The country towns will be far better off as a result of that.

I have no worries at all that the House direct the Standing Committee on Public Administration to inquire into the processes and outcomes of privatisation and the outcome of contracting out public services in the following terms -

(4) The extent to which State Government contracts or tenders have since February 1993 been awarded to -

The motion then sets out various companies and businesses. I think the Government has done a very good job.

Debate adjourned, pursuant to standing orders.

GAS PIPELINES ACCESS (WESTERN AUSTRALIA) BILL

Committee

Resumed from 8 December. The Chairman of Committees (Hon J.A. Cowdell) in the Chair; Hon N.F. Moore (Leader of the House) in charge of the Bill.

Schedule 1 -

Progress was reported after the schedule had been partly considered.

Hon N.F. MOORE: I suggest to members who are taking a special interest in this Bill that they look through some of the

many "thousands" of pages that it covers and at some of the detail contained in it. It is a complex matter, and I required the extra time to try to provide a definitive answer for Hon Helen Hodgson. Last night she asked what is a pipeline. At first I thought that would have been a simple question to answer; that is, a pipeline is a thing that is cylindrical and has two ends like a pipe. However, it seems that is not quite what a pipeline is. It is defined in the schedule. It means some things and not other things. I think the member was seeking an understanding from the Government about the Varanus pipeline which is operated by the Harriet joint venture and Tap Oil NL. For the benefit of members, the processing for that gas field takes place on the island. The processed gas is then piped out from the island and meets up with the Dampier-Bunbury natural gas pipeline. However, with the Woodside project, the gas is transported by undersea pipeline from the platform out at sea in an unprocessed form, and when it gets to the mainland at Burrup it is then processed.

The question asked by the member was why is a pipeline which transmits unprocessed gas not a pipeline, whereas a pipeline which transports processed gas is a pipeline. That is what the code provides for. Therefore, the member's understanding is correct. I will now endeavour to give an explanation of why that is the case. Mr Chairman, forgive me for reading this. However, I wish to make sure that this is accurately recorded in *Hansard* to satisfy the member's requirements -

> Natural Gas is defined in clause 2 as a substance, which consists principally of methane and which, has been processed to be suitable for consumption.
>
> The opening paragraph of the definition of a pipeline defines a pipeline as being for transporting of natural gas and to broadly include tanks, reservoirs machinery or equipment directly attached to a pipeline.
>
> The inclusion of such attachments, which may be part of a pipeline system to transport natural gas to consumers, might have been interpreted to include gas processing equipment or other facilities directly upstream of a transmission or distribution pipeline. The National Access Code, however, is not intended to apply to gas processing plants or to anything upstream of them including gas wells, gas gathering lines, production facilities and raw gas lines.
>
> To ensure that gas processing plants and anything upstream of them are excluded from the Code the definition of a pipeline provides exclusions that allow regulations to be made under clause 12 that accurately defines the start point of a gas pipeline.
>
> Subsection (a) specifically excludes from the definition of a pipeline anything upstream of an exit flange from a processing plant. An exit flange is a device that connects pieces of pipe together and in most circumstances would be where the ownership changes between a gas transmission pipeline and a gas processing plant.
>
> During the consultation period in developing this legislation some owners requested the flexibility to define the start point of a transmission pipeline by some other means such as a weld between the exit flange and the processing plant. This is the purpose of sub clause (b).
>
> It is common for several gas fields to feed raw gas through pipelines into a processing facility. Sub clause (c) puts beyond doubt that these pipelines, and associated production facilities are excluded from the definition of a pipeline under the Code.
>
> The following example may assist in clarifying how a pipeline under this Bill is defined.
>
> At Varanus Island, which is off the North West Coast near Barrow Island, there are gas-processing plants owned by the East Spar Joint Venture and the Harriet Joint Venture. These processing plants are fed raw gas from several gas pipelines that are connected to nearby gas and oil fields. These pipelines are excluded from the Code because of subclause (c).

Under the definition, the feeder pipelines to Varanus Island also are not pipelines. I continue -

> Furthermore, the gas is raw gas and these pipelines are therefore not included as they do not transport natural gas as defined in clause 2.
>
> These processing plants are connected at their outlets to a pipeline which transports processed gas to Compressor Station 1 on the Dampier to Bunbury Natural Gas Pipeline and to the start of the Goldfields Gas Pipeline. The pipeline extending from Varanus Island onto the mainland would fit the definition of a pipeline under clause 2. This pipeline is operating at high pressure and would be expected under the Code to be classified as a transmission pipeline.
>
> This transmission pipeline is partially covered by licence PL17 under the *Petroleum Pipeline Act 1969* and partially by licence TPL8 under the *Petroleum (Submerged Lands) Act 1982*. It is not however proposed to be immediately covered by the Code and accordingly has not been listed as a covered pipeline in Schedule A of the Code.
>
> This transmission pipeline could become covered by the Code if:

- a party applied to the NCC for it to become covered;
- the NCC subsequently recommended that it should be covered;
- the Minister for Energy accepted this recommendation; and
- any appeal of that decision was not upheld by the Gas Review Board.

Therefore, in order for it to become a pipeline under the National Third Party Access Code for Natural Gas Pipeline Systems, it must go through that process. I continue -

> This pipeline may also become covered by the code if owners seek to put in place an access arrangement under the code.
>
> By way of explanation, it is understood that this transmission pipeline is presently operating at close to full capacity and that third parties involved in the East Spar Joint Venture are using the pipeline under a mutually acceptable agreement. The pipeline is owned by the Harriet Joint Venture. Tap Oil who has been mentioned by the Hon Helen Hodgson has a 12.2 per cent interest in the Joint Venture. Tap Oil does not have an ownership interest in the East Spar Joint Venture.
>
> If this pipeline or any additional pipeline connecting the processing plant at Varanus Island to the Dampier to Bunbury Natural Gas Pipeline and the Goldfields Gas Pipeline was covered under the Code, then it would be necessary to define in regulations the start point of such a pipeline. This point is likely to be most conveniently defined as a flange connecting the outlet pipe from the processing plants delivering gas suitable for consumption to the pipeline transporting that gas to the junctions with the Dampier to Bunbury Natural Gas Pipeline and the Goldfields Gas Pipeline.
>
> In summary, the production facilities, raw gas feeder pipelines and the processing plants at Varanus Island are not able to be included in the National Access Code. The pipeline and any additional pipeline connecting the processing plant to the Dampier to Bunbury Natural Gas Pipeline and the Goldfields Gas Pipeline are captured by the definition of a pipeline contained in the Code and this Bill. While such pipelines are not currently covered pipelines, each of them could become a covered pipeline if the procedure for coverage contained in the Code were followed.

The pipeline from Varanus Island to the mainland is subject to be included in the access code, but it will not occur unless certain processes are undertaken. Whether Hon Helen Hodgson still wishes to proceed with her amendment is entirely up to her. However, the amendment would not be in the best interests of the overall policy; namely, to make it clear which pipelines are transmission pipelines with processed gas, as opposed to other pipelines which can be used to transport raw gas into a treatment plant. If the pipeline from Varanus Island to the coast pipeline were not to be covered by the access code, argument could be faced about other pipelines in similar circumstances. I hope that explains the situation to the member, and that she will not persist with her amendment.

Hon HELEN HODGSON: The amendment was placed on the Supplementary Notice Paper primarily to permit debate if standing orders related to the tabling of a committee report had applied. As the motion was not moved to adopt the committee report, which would have applied under the standing order to which I refer, it was probably unnecessary to place the amendment on the Supplementary Notice Paper. My intention was to seek an explanation of how the different parts of the definitions are interrelated. Although the issue was raised primarily by Tap Oil, I have also heard other people in the industry state that some on-the-record clarification of the upstream processing exemption would be useful. Now the minister has made a comprehensive statement on how the definitions and exclusions are meant to operate, I am satisfied. I thank the minister for taking more time to obtain a comprehensive explanation and for placing it on the record.

Hon N.F. Moore: I thank you for assisting me to understand it!

Schedule put and passed.

Schedules 2 and 3 put and passed.

Preamble put and passed.

Title put and passed.

Point of Order

Hon N.F. MOORE: I seek your advice, Mr Chairman. I have received advice on some drafting issues and the use of capital letters. Three areas of a concern were expressed by parliamentary counsel relating to the use of upper and lower case letters. Do I raise them now, or simply advise the Clerk of the views of parliamentary counsel?

The CHAIRMAN: Simply advising the Clerks will be fine.

Hon N.F. MOORE: I will do that. They relate to a matter raised last night, although not in detail, about using a capital "O" for the office of regulator. It was recorded in *Hansard* as a Clerk's amendment. Another matter arises in the newly inserted clause 23(3) in which a capital "R" is used for both the words "relevant" and "regulator". It is obvious that the "R" in "regulator" should be upper case, and lower case for "relevant". I do not know whether the mover of the amendment has a problem with that matter.

Hon Helen Hodgson: No.

Hon N.F. MOORE: I raise one other typographical error on page 247 of the Bill; that is, the pipeline listed for the 273 pipeline from Tubridgi to Dampier-Bunbury natural gas pipeline compressor station No 2 is incorrect. It lists the licence as "WA: PL16" but should read "WA PL19". Another Clerk's amendment is required.

Debate Resumed

Bill reported, with amendments.

LOCAL GOVERNMENT AMENDMENT BILL (No 2)

Second Reading

Resumed from 8 December.

HON KEN TRAVERS (North Metropolitan) [3.17 pm]: I said yesterday that electors in the Shire of Wanneroo and City of Joondalup are frustrated because they feel they are not being heard. I indicated that the commissioners were meeting people to be seen to be listening to the community. However, the community is not looking for that result - this is certainly not a criticism of the time allocation and efforts of the commissioners - but ultimately more than meeting people is required to make them feel that they are being listened to. I made a suggestion to the commissioners and others involved in this issue: I am told by people involved in the split of the City of Perth into the new Towns of Vincent, Cambridge and Victoria Park that a number of community advisory groups provided advice to the commissioners. In most cases in the past, commissioners have tended to come from outside the area under consideration. In the case of Wanneroo and Joondalup, none of the commissioners lives in the area. It was put to me that one cannot have greater involvement of community advisory groups and the like for one reason: What happens if the groups are not listened to when they have an opinion different from that of the commissioners? My view is that if one selects the right people, and a strong difference of opinion arises, maybe the commissioners have it wrong. They should listen to local community groups. If Chris Baker, Ian MacLean, Paul Filing, Mal Washer and I were placed in a room in the northern suburbs, and were told "Select your advisory groups, but you must be unanimous", we could produce a good selection of people to act in an advisory capacity to the commissioners.

Hon J.A. Scott interjected.

Hon KEN TRAVERS: We could have Hon Giz Watson join us to make sure that Steve Magyar has a guernsey for Hon Jim Scott. There could certainly be a range of people. If we made sure in the first place that those groups were representative and were then strongly of an opinion, they should be listened to. Obviously one area in which commissioners need to take an independent line is the divvying up of the assets. It is clear that the City of Perth commissioners did not get the divvying up of the assets right. Local community input has been seriously lacking. The Bill has a provision for extending the term of the commissioners, but no provision or mechanism for greater community involvement. It would be a disaster to allow an extension of the term of the commissioners without any form of greater community involvement. Without using the full terminology, the comment about whether we want someone inside the tent looking out or someone outside the tent looking in needs to be taken on board .

When I have talked about bodies like advisory committees, one of the arguments that has been used against them is what would we do with the ex-councillors. My experience of the ex-councillors is that, in the main, they are good people. I am trying to think of any who were of my political persuasion. They were exonerated. I suspect that part of the underlying problem of members opposite is that they have not accepted that. One of the reasons they do not is that they want to protect the real culprits who caused the problems in the City of Wanneroo, the councillors of three or four years ago who were damned in the report of the Royal Commission into the City of Wanneroo, many of whom sit as members in the other place. It is unfortunate, because supposedly an apology has been given to the councillors. Some former councillors, who are in the minority, continue down the path of the old ways. In the main, the more recent councillors could provide a lot of assistance to the commissioners but have been ignored.

Another issue is the general one of whether the commissioners have raised the standards of the way the council is run. I accept that they are introducing some good and necessary reforms. I was concerned about a recent article in the *Wanneroo Times*. I asked a question on it in this place. In response the minister indicated that he had written to the commissioners and indicated the need for a high degree of propriety in the way in which they operated. That suggests to me that the minister was also concerned that the comments in the article were correct. As someone who had attended the meeting, I think the

article summed up fairly well what happened at the meeting with respect to a planning decision. The actions of at least one of the commissioners probably went very close to being contrary to the recommendation of the royal commission. I hope the commissioners make sure they follow to a tee the recommendations of the royal commission. I hope that when the minister takes the opportunity to respond to this debate, or during the committee stage, he may be in a position to table a copy of the letter that the Minister for Local Government sent to the chairman of the commissioners regarding the meeting in Wanneroo to which I referred and which was reported in the *Wanneroo Times*.

Another issue that came up recently was the closure of footpaths. It was not a recommendation of the Royal Commission into the City of Wanneroo, but a number of the documents that have come out following it have mentioned that part of the commentary in the report referred to the need for councillors who make decisions contrary to the advice or recommendations of officers of the council to explain clearly in the minutes of the meetings why they have taken that path. Recent controversy has arisen in the northern suburbs regarding the number of closures of alleyways between houses. The issue of pathways between houses is always difficult. They are areas in which mostly young people behave antisocially.

Hon M.J. Criddle: They are rights of way.

Hon KEN TRAVERS: They are pathways running between houses. Many people use them as legitimate means of access to adjoining streets, particularly as a result of modern suburban designs. In our area some of the residents sought to have two access ways closed and the recommendation of the Department of Transport and the local council officers was that they should remain open. However, the City of Joondalup commissioners decided to close them. I have not had time to find out whether I think it was the right decision. However, I am concerned that the minutes do not properly reflect the reasons why the commissioners overturned the decision. Again, the high standards set as benchmarks by the Royal Commission into the City of Wanneroo and a number of committees established subsequent to the royal commission about how local governments should operate are not being adhered to by those commissioners. That is an area of grave concern.

When we appoint commissioners to divide a local government and create two new local governments, their role should be to divide the assets and handle the big-picture assets. They should not be making long-term policy decisions which should be left to elected officials to handle. Again, certainly with the City of Joondalup and the Shire of Wanneroo, a number of long-term policy decisions are being made about rezonings that could wait until July of next year, although I am unsure whether they could wait for another 12 months. Unfortunately, rather than the commissioners sorting out how to divide the assets of the former City of Wanneroo, they are spending much time delving into planning decisions and the like, which I do not believe is their role. Decisions about reserve accounts and whether to contract out services should be made by elected councillors rather than appointed commissioners.

We have heard that the commissioners need more time to do their job. That is one of the reasons we need this extension for the commissioners. I have always believed that if 40 people can do a job in two years, it is possible that 80 could do it in one year.

Hon Mark Nevill: That means 8 000 could do it in one second!

Hon KEN TRAVERS: Possibly. Twelve months is a reasonable amount of time in which these commissioners could complete their work. A number of matters could have been brought forward and compacted into a shorter time frame. In answer to a question recently asked of the commissioners of the Shire of Wanneroo about how many extra staff they have appointed to deal with the split-up, the answer was one because they have always operated on the basis of occupying those positions for two years, plus they have employed some consultants. Again, I do not want to blame the commissioners for this because the blame must be squarely put on the Minister for Local Government who, from what I understand, gave those commissioners a clear indication that they would have two years to operate. That concerns me greatly because the current legislation is very clear; it is 12 months. We should not have before us at this stage a Bill which is seeking an extension because the Government is running out of time when it has always worked on a time line of two years, even though the legislation states that the period shall be 12 months. That is a sign that the executive arm of government in this State holds this Parliament in contempt. All members should be concerned about that and should be disgusted that the executive arm of government has been working on the assumption that it could change the laws of this State at the appropriate time. The Government never tried to do it within 12 months.

Hon Jim Scott interjected.

Hon KEN TRAVERS: However, on this debate, so that the President will not call me to order, I will stick to the Local Government Amendment Bill (No 2). It is absolutely diabolical that the Government holds the Parliament in such contempt. It was first suggested in July that that approach would be taken. The commissioners were working on two years and made noises that they would need more than 12 months in which to do it. I put it to them then that they should not leave it to the last moment to ask members of Parliament for an extension. One of the first things that should be done in the first weeks of an operation is to have the time line up and running, remembering that the commissioners had been there for a bit longer. They were not just appointed in July; the commissioners had been in those positions since November of the previous year. They were working on the assumption that they would be around for the splitting of the council. I told them then that they

needed to bring forward the time line and discuss it with us; not leave it and expect us to change the legislation to suit their needs halfway through the year. Unfortunately, they have come forward with those time lines only in the past month or so. If a problem is created as a result of this amendment not being passed, it must fall fairly and squarely on the shoulders of the Government and those who did not take the necessary actions. They have had more than enough time in which to do it. It is contemptuous to come into this place now and say, "We never worked on a 12-month time line. We worked on a two-year time line and if we do not get an extension now, we will not be able to do the job properly." The legislation was very clear.

Members may not be aware that I looked up the 1995 Act because I wondered why there was a 12-month provision. I wondered whether there would be an explanation during the debate in Parliament about why a 12-month provision was put on the terms of commissioners. In other circumstances with local government splits the provision is for up to two years, and that normally involves the elected members of the council making that decision. I understand that the former councillors made an offer to the minister in which they would have been happy to agree to dismiss themselves at an appropriate time in the future, but it was ignored by the minister. Why was the 12-month provision inserted? When I looked at the original Bill, which was introduced in both Houses, it did not contain any provision for a time line; it was open-ended. It contained the phrase, "as soon as practicable after the establishment of the local government". I accept that that is fairly broad wording which, in the hands of the Government, would probably require everyone to take out writs of mandamus to get it to do anything in less than five years. An amendment was moved by the Government - not by the opposition parties, but by the Minister for Local Government - in the lower House to amend that clause to insert the 12-month provision. It requires elections as soon as practicable, but at least within 12 months of the creation of the new councils.

I quickly read the committee debate to see the explanation given by the minister at the time, but unfortunately I was again left wondering. As is the wont of the other place, debate on that Bill was guillotined and that section was not debated. When the minister responds to this debate, I will be interested to hear, if he can research what happened in 1995, why the provision for 12 months was inserted and the issues surrounding the amendment. It is difficult to understand that from reading *Hansard*. I am glad that, unlike the other place, we do not use the barbarous practice of guillotining Bills and that we have full and proper debate on everything which comes through the House. For those reasons, the clause of this Bill dealing with the extension of the terms of commissioners should not be amended. The Opposition will move to do that in the committee stage.

A Bill amending legislation relating to local government should seek to amend the voting system. I understand from the minister's office that the Government intends to do that by way of amendments to the appropriate regulations; I would appreciate confirmation of that. The current regulations require ticks or crosses to be used to constitute a formal vote in local government elections. That caused confusion in the last election. The initial legal advice provided to the chief executive officers as returning officers was that ticks or crosses were needed and the use of numbers would constitute an informal vote. Fortunately, last-minute legal advice meant numbers could be treated as formal votes. When we have a system of numbering candidates in state and federal government elections, it is crazy to have a system at local government level which requires people to use a tick or cross. It can only lead to confusion among electors. Anyone who supports that position is seeking to deny democracy and the expression of the will of the people. I am pleased that some regulation changes have been proposed to address that issue.

Another issue of concern to me is the current procedure whereby the CEOs of local authorities are also returning officers. The returning officer for the State Parliament is the Western Australia Electoral Commissioner and he is prevented from having membership of political parties. In fact, the Western Australian Electoral Commissioner is prevented from being a member of anything without the approval of Parliament. However, the newly appointed CEO of the Shire of Wanneroo is a member of a political party. I accept that one must be very careful in this area. I am not suggesting that public servants should not be members of political parties but CEOs of cities and shires hold special positions. This issue needs consideration because the CEOs have the responsibility of being returning officers. I saw the current returning officer of the Shire of Wanneroo handing out Liberal Party how-to-vote cards on election day. At that time, I thought she was the CEO of a reasonably large government department and I did not have a qualm about her doing that. I felt it was fair enough; I knew her political persuasion and did not think that it diminished her role in that position in any way. However, I was concerned to learn that she had been appointed, and advised of her appointment, as the CEO of the Shire of Wanneroo. That concern is increased because of the history of the former City of Wanneroo, which had been controlled by Liberal Party factions. Those factions used council employees to carry out their party political work. The problem that the council had with factions was one of the reasons for splitting the City of Wanneroo into two authorities. It does not increase public confidence in local government operations in the northern suburbs when a chief executive officer is actively participating in an election campaign by handing out how-to-vote cards; and when that person becomes a returning officer for the area, it is hard for people to have faith in the election processes. It is a sensitive area. To the best of my knowledge, and from my dealings with her to this stage, the person who has been appointed as the CEO of the Shire of Wanneroo is a person of integrity.

We need to improve the public perception of the political process. We need to ensure that we do not do things that will bring

the process into disrepute. Unfortunately, I have not had time to develop amendments to the Bill to address that problem, and it is a shame that area has not been addressed while we have this opportunity to amend the Act. Any future amendments to the Act should consider the role of CEOs and whether it is appropriate for them to be members of political parties, particularly because of their important role as returning officers.

I reiterate that my major concern with the Bill is the provision to extend the term of the commissioners. The commissioners could have and should have completed their work in 12 months. Any situation in which democracy is delayed is a case of democracy denied. We need to get the processes rolling to ensure that the split-up of the City of Wanneroo into the Shire of Wanneroo and the City of Joondalup is completed as quickly as possible, so that in not only this situation but in any future situation, democratically-elected councillors are returned to run those institutions at the earliest possible opportunity.

HON J.A. SCOTT (South Metropolitan) [3.42 pm]: Hon Ken Travers spent some time dealing with a clause of the Bill which deals, largely, with what has occurred as a result of the split-up of the City of Wanneroo into the Shire of Wanneroo and the City of Joondalup. The member did not deal with the part of the Bill that allows suspended councillors 35 days in which to present a report to the minister to put their side of the story. That is a soft option and does not go far enough. We need more than that, given what occurred in Wanneroo.

I will remind members of what occurred in the City of Wanneroo. The council should have been sacked at least five years earlier, and probably eight years earlier, and was not. The people who were appointed to correct that situation did sack the council. However, when an inquiry exonerated the council, at the moment those councillors were reinstated, the minister made the decision to split the council. This left a public perception that something was wrong with those councillors. That has left a lot of people who had worked hard for the council with a bad taste in their mouth and a great deal of anger. It was badly handled. We need to take those circumstances into consideration when we debate the provision to allow councillors 35 days in which to prepare a report. A report from those councillors should have been tabled in this place when the minister tabled the report on the investigation.

Sitting suspended from 3.45 to 4.00 pm

Hon J.A. SCOTT: The measures proposed in this Bill relating to the avenues open to councillors who have been suspended under the Local Government Act do not create a just situation because the councillors cannot properly make their concerns public. The interesting aspect in the case of the then City of Wanneroo, as I said, was that the councillors were suspended and the inquiry was undertaken. Those councillors were completely and utterly exonerated by that inquiry. However, the Act said that if the inquiry exonerated them, they could not be sacked. I made an error in saying that they were sacked. They were not sacked; they did not have a position to return to because the council was wound up by the minister. I have some concerns about that process anyway, but it created a bad situation for those councils and the matter should have been handled better by the Government.

Interestingly, the request for an extension of the commissioners' time in Wanneroo has been caused by the timing of the council split. The split was done not because it was the right time but because, as most people believe, it was probably 10 years too early. The area which the Shire of Wanneroo will cover does not have a sufficient rateable base. It seems that there was thought not about getting the maximum advantage for setting up the shire and the city council but about covering up a mistake that had been made in sacking the wrong council. One reason that the commissioners are seeking extra time is that it is much harder for them to work out an appropriate split because of an inadequate rate base being in place. Had there been more thought beforehand and had the council been able to go back to its work, a more democratic process could have taken place. Certainly, people had been talking about the split of the council for some time.

It is not a one-off issue. There was a similar undemocratic situation in the City of Perth, and ratepayers were not given an opportunity to express an opinion about the matter. Also, the City of Perth split happened 10 years later than it should have happened. The previous city council drove out the population and it had a stranglehold on the city.

Hon B.K. Donaldson: It has worked out very well.

Hon J.A. SCOTT: I do not know whether it has worked out well. We still have a very sterile city. Prior to the City of Perth being split up, the council was moving in the direction of attracting people back to the city centre and putting back some heart into the place. Although there are some improvements, the council has done nowhere near enough.

Hon Ken Travers: In 1993 the Liberals promised that they would not split the City of Perth. It is a disgrace.

Hon J.A. SCOTT: It probably was not a core promise, so we must be very careful.

Hon Ken Travers: In fact the Liberals had the audacity to attack the Labor Party and suggest that it was going to do it, and they themselves did it.

Hon J.A. SCOTT: I must carry on with my speech. Basically, the wrong council was sacked too late and the city was split too soon. Now the commission is rushing to ensure that it can put things together in time, even though, as Hon Ken Travers said, the commissioners knew what their term was and their time should have run out in the first couple of weeks when things

needed to be done. I have a number of concerns about this Bill, and I have had some discussion with the minister about these amendments. Members will note that I have an amendment to clause 4 on the Notice Paper.

My overall concern relates to when a district is to be abolished. Commissioners can be appointed for two years prior to the abolition taking place. That is a reasonably long period. However, if a council is suspended and commissioners are appointed for two years, another two years can pass prior to the abolition and another year can pass while the commissioners put in place the new arrangement. That could mean the passing of five years before a democratic election is held for representatives in that area. That is an important consideration, and it is the reason I have proposed an amendment. I have been assured by the minister that that issue will be dealt with and that a cap will be put on the total period during which commissioners can preside before an election is held. I am pleased that the minister wants to deal with that issue, and I look forward to his making a public statement in this place.

I will deal with the reasons we are looking at an extension of time for the current commissioners of the former City of Wanneroo - now the City of Joondalup and the Shire of Wanneroo. The commissioners are dealing with a number of issues. The first issue was the adoption of two new logos. That would not cause a huge problem; it could be farmed off quickly to an agency or a couple of agencies. The second issue was the adoption of separate budgets for the two councils, which would take some time. However, prior to the split, the council had done considerable work in each area to establish the rate base and how much was spent. Therefore, that was not as big a task as initially thought. It would have taken some time, but I cannot see a massive task given the work previously done.

The third issue was the creation of separate accounting systems and the introduction of associated statutory requirements. Again this work could have been farmed out to an accountancy firm. It could be done concurrently with other tasks. The fourth issue was the commencement of separate reporting and records systems. That obviously would take some time, but once again there are people with expertise in this area and it could have been done concurrently with these other tasks. The fifth issue was the creation of local laws. The City of Wanneroo would have had many local laws that could have been easily adapted. It would have had an extensive base of local laws from which to work. Changes would have been required only to those areas with a geographical reference.

Other reasons may exist, but a large base is already in existence. I imagine that a significant amount of work done would have been done already in policy manuals. Policies would have been in place, and given that the current council's policies were approved by the inquiry, not much would have been wrong with those. They would basically be adaptions of the old policies. The same applies with procedure manuals. Much of the inventory, registrar and asset reviews are simply accounting procedures that could be carried out concurrently with some of these other issues, or outside expertise could be brought in to do it. Strategic plans and principal activity plans are an area in which some work was required, but not necessarily beyond the time that the commissioners had. The amount of work still to be done is certainly significant, but it does not mean each task must be done one at a time because staff are already in place who do much of that work. For instance, it has been mentioned that staff must be allocated to the two places. Surely there are people such as personnel managers who could undertake that task.

One of the matters which is seen as not being able to be hurried is the title and vesting transfers which will not be complete until late 1999. One wonders whether, once the process has gone that far - and we are simply waiting for those transfers to go through their final stages - it would matter whether a new council was in place at that time. This Bill insinuates that local government members are incompetent to do this themselves. Yet this sort of thing is happening year after year in council after council all over the country.

I still have concerns about the change that is proposed to the inquiry panels, whereby it is proposed that an inquiry panel can consist of only one member; the same as having only one commissioner. I am concerned about that because I believe that State Governments carry out vendettas against local councils at times. Hon Bruce Donaldson is looking at me incredulously at the moment, as though his Government would be incapable of such a thing. However, I refer him to the Cottesloe Town Council which has been receiving a good deal of attention. Mock inquiries have been carried out because the council happened to disagree with the minister who is responsible for that area. Certainly in Cottesloe a so-called inquiry at one stage was downgraded when many questions were asked about it. I think the person carrying out that inquiry was Bob Smillie. He had been unable to tell the mayor of Cottesloe what he was supposed to be looking for because he had no terms of reference. The inquiry was downgraded after that. Clearly the whole thing was designed to put some political pressure on the council because of its position on a number of issues, including beachfront parking, where the Government sided with the hoteliers against the community. The Government also wanted to increase Curtin Avenue to four lanes, and there were significant concerns in the community about that.

Therefore, I am concerned about one person having the power to conduct an inquiry. It would be much more difficult to find three people who would have such strong political beliefs that they would make decisions which may not be appropriate, and may be made for political interests rather than in the interests of the community. I have many concerns about that. Even if it costs more to have three people, it is a safeguard for local government. It deserves that safeguard. The reality is that most people in local government are not there to rip off the community. They usually try to give something to the

community; they are usually people of goodwill. On the occasions when things have gone wrong, it simply reflects how often it happens in the broader community, or probably even less. It probably reflects how often things go wrong in a State and Federal Government.

I would like the Government to put forward stronger amendments to ensure that when councillors are suspended, but after an inquiry they are found to have acted properly, better procedures are in place to fully inform the public that those people are honourable members of society, and that they should not be treated like would-be criminals and immediately pushed out of their positions.

Finally, the other area of the Bill that I am concerned about - we have seen some proposed amendments to it from the minister - is the extension of time for the commissioners. Originally, it was to be for an extra year; however, that has now been moved back to six months. I want to hear some good reasons why that has been done. I look forward to hearing that from the minister. I have expressed my major concerns with this Bill. I look forward to hearing what the minister has to say about those concerns.

HON B.K. DONALDSON (Agricultural) [4.25 pm]: It must be recognised that the minister and the Government have honoured their commitment to Parliament to make necessary amendments to the Local Government Act. We all agreed that anomalies would arise when the 1995 Act, which is the largest statute in Western Australia, was enacted. I am pleased to see some of these anomalies picked up in this Bill. A small omnibus Bill was dealt with some time ago, but this is a far more comprehensive measure.

I refer now to changes made regarding adult franchise or occupier ratepayers which I very much welcome. A ratepayer remained on the roll forever under the original Local Government Act, and it was important that that provision was purged. The alteration was made to the Local Government Act so people had to re-register after each second election cycle - namely, every four years. This caused a lot of concern in the wider community, as many people turned up to vote and found they were not on the roll. This issue has the two aspects of residents and ratepayers as owners of the land. Occupiers are usually picked up through the residential roll. It was interesting that when so-called adult franchise was introduced in the early or mid-1980s -

Hon J.A. Cowdell: It was mid-1980s Bolshevism!

Hon B.K. DONALDSON: I never had a problem with that change, because the Shire of Koorda at that time contained two councillors who were occupiers. People did not understand then that occupiers could be councillors. Also, that change enabled staff living in council houses to vote for the first time. It corrected an anomaly. I was not fearful of the move to so-called adult franchise. It may not have found favour with some of my friends at the time who saw it as a distinct undermining of the ratepayer base; however, the change did very little except provide an opportunity for a specific type of people to vote. Importantly, it also cemented in the legislation the fact that occupiers could be councillors. This purge since the passage of the Local Government Act 1995 has, because of Australian citizenship requirements, sorted out many matters without causing a great deal of offence - that is, people are enrolling once they have ensured that they are Australian citizens. I welcome this important change.

Some amendments have been proposed to the clauses relating to local government elections. I would hate to see these accepted as no-one is to be disadvantaged by this change. It will restore the owner's right to be on the roll without having to re-enrol. Also, it certainly will not disfranchise any occupiers, because occupiers are normally picked up on the residential roll. I do not understand the hang-up on the clause.

The second part I would like to refer to is the City of Joondalup and the Shire of Wanneroo. When the City of Canning was dismissed I witnessed at close hand the need for commissioners to have flexibility. I had some involvement during that time. I spent one whole weekend with a colleague of mine, Rob Rowell, who is now a commissioner at the City of Joondalup, trying to sort out the differences that had developed between the councillors on that council. We spent long hours on those two days trying to reach some compromise so that the council and the councillors would not be dismissed. Hon David Smith, who was the minister of the day, had given us the opportunity to do that. By Monday night I had no alternative but to say they should be sacked. There was no way back because so much animosity had been built up over a period. At the time Councillor Charlie Gregorini, who is the President of the Shire of Swan, was appointed commissioner. During that period he did a tremendous job. I saw staff with smiles on their faces. He allowed them to get on with their job. Previously they had been hassled by some councillors; they never knew who was the boss; and they were continually harassed.

I went to a couple of business functions and community functions in that local government and met some of the people when a few of us helped to draw up the new ward boundaries. A number of people came to me and said that they would like to see Charlie Gregorini continue for another 12 months. I guess the proposition does not sit well with any of us. We would like to see a council returned to sitting councillors by democratic elections. In the case of the City of Canning, Charlie Gregorini said that he had done all that he had to do. It was not a matter of splitting up assets but of restructuring the whole council, allowing for new elections and for councillors to start afresh. That has happened, and the City of Canning is going from strength to strength. He said straight out to the people that he had completed his job and that if he were to be appointed

for another 12 months, it would be of no benefit whatsoever. He said that the council should be returned as quickly as possible to a democratically elected council. He was honest about that. The minister at the time said he would review it if a recommendation came forward to continue, but he would prefer a democratically elected council.

The split of the City of Wanneroo into the City of Joondalup and the Shire of Wanneroo, is a different process altogether. It is a huge undertaking and it cannot be done overnight. The Act should contain the flexibility to ensure that the necessary time is available. It involves millions of dollars of assets. New administrative offices in the Shire of Wanneroo must be established. Many town planning matters must be resolved to facilitate that project. There are many unanswered questions about Tamala Park and which authority will eventually have responsibility for it. Many constitutional issues are involved. It would be a shame to thrust back a democratically-elected council without those questions having been resolved. There would be nothing worse than having two councils at each other's throats from day one, with one feeling that it did not get its fair share. It is far better for a group of commissioners to finalise all that.

Hon J.A. Scott interjected.

Hon B.K. DONALDSON: We do not need a bun fight over the distribution of assets, the setting up of the new administrative centre and all those other issues that are involved in splitting up a very large council area containing 228 000 people. I am sure everyone, including the Minister for Local Government, Hon Paul Omodei, would prefer to have it returned as quickly as possible. He spent time in local government, was the shire president and served time on the Country Shire Councils Association executive. I am sure he still holds the same principles as I do. I would like to see the City of Wanneroo and the City of Joondalup returned to democratically elected representation as quickly as possible. However, there is no point in rushing the process if it is not done properly. In that sense we are dealing with different projects from the City of Canning and the City of Perth, although the commissioners of the City of Perth could have presided for a little longer. They managed to complete most of the work, but another 12 months would have been appropriate.

People are getting a bit hung up on this issue. Members should reflect on the reasons for the process. I am sure that neither the minister nor the Government are keen to see the commissioners' time in that role extended. However, realistically, it is a fact of life. We have concentrated much on those two areas during the debate.

The payment of gratuities for retiring staff is an interesting issue. Not that long ago, during the coalition's term of government, Mr Roy Little at Merredin and Norm Wallace at the Shire of Gingin, both of whom I have known for a number of years and have given outstanding service to those communities, received payments. I had no problem with what the council wanted to give them in that way nor do I think did anyone else. I supported the payment to Roy Little for whom I have a great deal of respect. Hon Kim Chance knows him very well. He made a significant contribution to not only the council but also the community and he is still making a huge contribution.

Hon Kim Chance: Hear, hear!

Hon B.K. DONALDSON: I have no hangups about those people being paid large sums of money. I believe the amount paid to Norm Wallace was about $100 000 to which Hon David Smith agreed and which I supported. At the end of the day, for accountability purposes, the policy on gratuities for retiring officers of the council should be more clearly spelled out. It is very important. I hope that at the end of the day it does not become too restrictive and that people receive a good payout when the community believes they deserve it.

Hon Tom Helm: No secret ones.

Hon B.K. DONALDSON: I support that and I believe that change is being made now. The other issue that Hon Tom Helm raised, and one I also support, concerns the ability to hold council committee meetings by telephone, video conference or other electronic means. I remember the huge cost for some of the Aboriginal councillors to attend meetings at the Shire of Wiluna before it was split. They travelled thousands of kilometres. I am sure they would have appreciated the meetings being held by video or telephone conference. That would be a positive step of moving with the times. I welcome it; it will have huge application for the north west. I am sure Hon Tom Helm has been to a number of ward meetings in the Kimberley, the Pilbara and the Gascoyne where the distances between towns are huge, as you well know Mr President. When a meeting may have lasted two hours, it is no small undertaking for a person to travel by car for anything up to 600, 800 or 900 kilometres, so it makes a lot of sense. I will not say any more because I support the Bill. I will not be supporting some of the amendments. I also reiterate that I am pleased that the minister and the Government have honoured the commitment to continue to review the Act and those sections of the Act which have caused them administrative nightmares. Those sections are not applicable in this day and age, even in such a short time. Many of the communities, individual electors or associations of local government have identified some real concerns and the Government has shown a willingness to make changes to some of those areas.

HON M.J. CRIDDLE (Agricultural - Minister for Transport) [4.41 pm]: I thank the members for their general support of the Bill. I have made notes as a result of the long second reading debate. I point out to Hon Norm Kelly that postal voting will be available for more than 500 000 voters in Western Australia. Local government in Western Australia is a big

business with 142 councils, 10 000 employees, 1 400 councillors and a total budget exceeding $1b. The Government is supportive of local government and the new Local Government Amendment Act will offer councils limited general competence with greater accountability and an emphasis on efficiency and effectiveness. The commissioners of Wanneroo and Joondalup have not formally resolved to move to a postal vote election. However, the minister has encouraged them to do so and expects such a resolution to be made in due course, after wards and representation issues have been finalised. The sheer size and complexity of the former City of Wanneroo is such that its restructure cannot be completed within 12 months of the new council's creation. Many of the restructure issues are contingent upon decisions and more staff and consultants would not finalise it within 12 months. We appreciate the general support of Hon Tom Helm for the Bill. Obviously, local government is a good grounding for people who want experience. Hon Tom Helm, Hon Bruce Donaldson, the President and Hon Simon O'Brien have all served on local government and are good examples of that.

The proposed amendment to extend the term of office for commissioners in inaugural councils merely seeks to bring it into line with the provisions to allow commissioners to serve two years when a council has been suspended or two years when a council is dismissed. No special rights will be extended to non-resident owners' enrolment provisions; they will be made equal with residents. That cannot be extended to non-resident occupiers because there is no mechanism to track their eligibility. Tenants may come and go without the council being aware that they are no longer eligible to be on the roll. The Bill proposes that when a councillor has an interest in any matter affecting an election donor for that term of office, it is impractical to carry such a disqualification for as long as the person is a councillor on that council or any other council. The animal provisions will not relate to dogs or cattle which are covered by other existing legislation. It is most likely that the initial application will be for cats. Comments about environmental health officers are not relevant and Hon Tom Helm should talk to Hon Kim Chance who, after a briefing, has agreed not to pursue his disallowance motion.

Hon Ken Travers gave some support to the Bill. Commissioners are deliberately chosen to avoid conflicts of interest by not residing in the councils which they administer. This has been the case for the Shire, Town and City of Albany, City and Shire of Wanneroo and the City of Joondalup. He also mentioned the councillors in the City of Perth who ran the new city and towns from 1 July 1994 until the inaugural elections in May 1995. This was part of the rationale in recognising that one year was not long enough to administer a large and complex restructure. Not all the recommendations of the Royal Commission into the City of Wanneroo have been, or will be, implemented as some are impracticable. It is oversimplistic to state that more staff and resources could complete the restructure sooner. That is like saying that if 10 men can build a house in 16 weeks, 20 men can do the same in eight weeks. Some actions are consequential on others. The closure of rights of way is being undertaken by many councils seeking to reduce the avenues to crime and graffiti. Such closures must be initiated in accordance with the Local Government Act or the Land Administration Act and involve community consultation.

The appointment of the Shire of Wanneroo chief executive officer, Kath White, will result in the involvement of a highly competent woman with significant public sector experience. Although the commissioners have not yet resolved on a postal vote for the inaugural elections, in the event of their doing so, the CEO will not be the returning officer. That function will be undertaken by the Western Australian Electoral Commission. I am happy to table the letter Hon Ken Travers requested.

Leave granted. [See paper No 578.]

Hon M.J. CRIDDLE: The electoral commissioner has requested amendments to regulations regarding the use of ticks, crosses and marks other than numbers on ballot papers to provide greater uniformity with state electoral requirements, and this request is being examined. Hon Ken Travers suggested that the 1995 Local Government Act did not contain provision for a one-year term for the commissioners. That is not so. The provision was not in the draft Bill in 1994 but it was in the 1995 Bill and it has remained there since. Hon Jim Scott generally supported the Bill, although he disagreed with some areas. The statutory right of reply for suspended councillors will afford them natural justice by enabling them to comment on the inquiry report. The City of Wanneroo councillors who were suspended were reinstated, but such action was simultaneous with the abolition of the council. In other words, there will no longer be a council for them to be reinstated to. It is nonsense to suggest that the division of Wanneroo was 10 years premature. The new shire has more than 60 000 residents and is one of the 12 largest councils in Western Australia. To say it is unviable begs the question of the viability of the other 130 councils in Western Australia; are they all too small? None of the towns created in the split of the City of Perth would return to the old arrangements. They are happy with their new-found autonomy and the community of interest. The division has been a great success by any measure.

The Bill proposes greater flexibility for panels of inquiry by allowing a single member or three-person panel. If a single member is used, the person must be a legal practitioner. The departmental investigation into Cottesloe arose after four councillors resigned, surely a valid reason for some investigation. With another councillor needing to take leave, the council no longer had a special majority and was close to losing the absolute majority needed to adopt the budget. An investigation into such circumstances was clearly warranted.

Hon Bruce Donaldson gave the House the benefit of his knowledge as a former President of the Western Australian Municipal Association. He was correct in his observation that the clause dealing with non-resident owners results in their not being accorded any rights in addition to those of the residents. Residents are not required to reapply as long as they

remain eligible and nor should non-resident owners. The reference to non-resident occupiers means the tenants of commercial property and not of residential property. Commercial tenants cannot be treated in the same way as resident and non-resident occupiers, because they come and go without the council being aware of their loss of eligibility.

Hon Jim Scott raised concerns that, if clause 19 were passed, there would be a theoretical possibility that commissioners could be appointed to run a suspended council for two years; then, if the council were dismissed, for a further two years; and if it was divided, for a further year. Although this is highly unlikely, it is agreed that five years without local government elections is potentially a matter of concern. I give an undertaking to Hon Jim Scott that I will draw his concerns to the minister's attention with a request that consideration be given to the possible limitation of the overall time for which commissioners can run a council. That would cover the member's concerns.

In relation to clause 4, a period of longer than one year is needed to ensure that an order to appoint commissioners just before 1 July in one year does not expire before the creation of the new council in the following July. However, I undertake to take the member's request to the Minister for Local Government to examine as part of an earlier matter.

There was also debate regarding the extension of the time for the commissioners appointed to run the Shire of Wanneroo and the City of Joondalup. I look forward to debating that issue during the committee stage.

Question put and passed.

Bill read a second time.

Committee

The Chairman of Committees (Hon J.A. Cowdell) in the Chair; Hon Murray Criddle (Minister for Transport) in charge of the Bill.

Clause 1: Short title -

Hon TOM HELM: My colleagues and I have concerns about the way in which the Bill has been handled. Goodwill has been shown in this place and all parties have shown a willingness to compromise. The Government has accepted some amendments, though not fully, and we have reached a compromise on others. However, it sticks in my craw that some of these matters could have been decided when the Bill was debated in the other place. Most of the concerns of the Labor Party were raised at that time, and in the interests of expediting this matter some of the amendments that have now been accepted by the Government could have been dealt with in the other place. That would have saved the time of this Chamber, and given it the opportunity to undertake its role of reviewing legislation in a far more comprehensive and professional manner.

Hon J.A. SCOTT: When I listened to the contributions by Hon Bruce Donaldson and the minister, I had the strong feeling that while an overriding emphasis of this Bill and the Government's approach has been to get good administration, it has been at the expense of the democratic process. The major contention on this Bill has been about that matter. For example, Hon Bruce Donaldson said that the commissioners are much better suited to make certain decisions. I have quoted some of the things that they still need to do in Wanneroo and Joondalup, one of which is selecting logos for the city. These matters are matters of identification. I believe that in many instances, these decisions that are made by commissioners in a vacuum are not decisions that they should be making. I live in Fremantle, and I imagine that if the commissioners were to tell the people of the City of Fremantle what logo they should have, there would be an uproar, and they would probably burn those commissioners if they came across them, because the people of Fremantle identify with that area. Far too much of the emphasis of this Bill is placed on getting good management at the expense of community input.

Hon Bruce Donaldson said that there would be big squabbles if the councillors were brought in to take over these positions too early. That would be the case only if we did not put in place beforehand a consultation process to determine what the community wanted. I believe that most councils would adopt a strong position that came from the community. The difference between members of the Government and the members of the Opposition who sit in this corner of the Chamber is that we believe not in a paternalistic approach but in a consensus approach where we give the community the opportunity to participate in the decision-making process. The better way to go is to put in place processes that draw out what the community wants rather than impose things on the community from the top by a paternalistic system.

Hon B.K. Donaldson: The redistribution of assets brings out the worst in all of us.

Hon J.A. SCOTT: That certainly can occur if people believe they have been treated unfairly. That is why we need to put in place a process that will ensure that the community has some participation in determining how those assets are distributed. I believe that our community does care about other people and places. We should strive to promote that positivism rather than the negativism of this Government, which does not trust the community. That is a different position from that of the Government, which has not looked at the detail of this Bill. However, it is worth my putting on the record that there are other ways of doing this.

Hon M.J. CRIDDLE: I thank Hon Tom Helm for his comments. The amendments that have come into this place have been

redrafted with the assistance of parliamentary counsel. I thank Hon Tom Helm for his goodwill. With regard to the comments of Hon Jim Scott, the extension of time for the commissioners is about fundamental issues rather than the smaller issues.

Clause put and passed.

[Questions without notice taken.]

Clauses 2 and 3 put and passed.

Clause 4: Section 2.36A inserted and consequential amendments -

Hon J.A. SCOTT: As indicated in the second reading speech, the minister has given an assurance about being able to deal with this in another way through looking to the minister to limit the total time that commissioners would be in the place of an elected council. In the spirit of goodwill that comes just before Christmas, I am prepared to wait for that to happen and hope that it does. This is an important matter which should be dealt with. Five years is a very long time for people to be without local government.

Clause put and passed.

Clause 5 put and passed.

Clause 6: Section 3.12 amended -

Hon NORM KELLY: I move -

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

(2) After section 3.12(3) the following subsection is inserted -

"(3a) A notice under subsection (3) is also to be published and exhibited as if it were a local public notice."

This amendment on the Supplementary Notice Paper is in the minister's name and results from discussions with the minister's office. The Democrats had some concerns about this clause. We appreciate the help of parliamentary counsel in drafting a new version for the Democrats. The Act requires that when making local laws the local government body is to advertise on two separate days in a statewide newspaper. The Bill seeks to reduce that to one day. Although we agreed with that, we were concerned about the reduction in publicising such changes. We are proposing that such a change is to be regarded also as a local public notice. In section 1.7(1) of the principal Act, a local public notice is to be published in a newspaper circulating generally throughout the district, exhibited to the public on a notice board at the local government offices and at every public library in the district. This is a more realistic solution. Statewide advertising makes landowners by right alert to any changes. By ensuring that a notice is published in the local newspaper, it will increase the chances of local residents being aware of such changes.

Hon TOM HELM: The Australian Labor Party also supports this amendment in the minister's name. This is the first, but not the finest, example of cooperation between the parties.

Hon M.J. CRIDDLE: The amendment proposes one statewide and one local public notice. This represents a compromise and the Government is prepared to accept it.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 7: Section 3.16 amended -

Hon NORM KELLY: I move -

Page 4, after line 8 - To insert the following subclause -

(2) After section 3.16(2) the following subsection is inserted -

"(2a) A notice under subsection (2) is also to be published and exhibited as if it were a local public notice."

The amendment in the minister's name also concerns advertising. In this case the periodic review of local laws must be advertised. For the same reasons as for the amendment to clause 6, I ask members to support the amendment.

Hon M.J. CRIDDLE: The Government accepts this amendment.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 8 to 11 put and passed.

Clause 12: Section 3.47A inserted -

Hon TOM HELM: The Australian Labor Party will not move the amendment in my name, but it reflects the care of the party for small furry animals and how they are treated in various areas. We used the word "captivity" and the minister refers to "impounded", which is a more appropriate word. In the spirit of cooperation again, the ALP will not pursue this issue.

Hon M.J. CRIDDLE: I move -

Page 8, after line 7 - To insert the following subclause -

(3) Subsection (2)(b) does not justify the destruction of an animal before it has been impounded for at least 7 days.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 13 to 17 put and passed.

Clause 18: Section 3.59 amended and consequential amendment -

Hon NORM KELLY: I move the amendment standing in the minister's name as follows -

Page 10, after line 4 - To insert the following subclause -

(2) Before section 3.59(6) the following subsection is inserted -

" (5a) A notice under subsection (4) is also to be published and exhibited as if it were a local public notice. "

I do so for the same reasons put forward for the previous two amendments of the Democrats; that is, to allow a better spread of advertising. In this case it is for advertising commercial enterprises entered into by local governments.

Hon M.J. CRIDDLE: The Government is prepared to accept that amendment.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 19: Section 4.3 amended -

Hon TOM HELM: I oppose this clause. This is one of the major sticking points the Australian Labor Party has with this Bill; that is, a clause that would give any Government the ability to appoint commissioners for two years. Members of the Australian Labor Party have extreme difficulties with taking away the democratic rights of people and how they are expressed, and replacing them by ministerial decree. That may be a bit harsh, but that is how it is seen. People who are involved in local government elections and people who put themselves up to be councillors largely give up their time and abilities for the greater good; there is no doubt about that. Not much can be gained by being a local councillor, but an awful lot can be lost. If we offer a minister of any political persuasion the ability to extend the period for which commissioners can replace councillors, ratepayers and councillors will be entitled to feel insulted by the implication that their work can be replaced so easily by the work of commissioners, whether it is three commissioners or only one.

The Australian Labor Party has made its position clear from the beginning. I am aware of the concerns with the Shire of Wanneroo and the City of Joondalup. There are some difficulties at a local level in the metropolitan area. I cannot dwell on them because I do not know enough about them. The fundamental issues are of a fundamental concern to the Australian Labor Party. It has always been seen as the party which wants to pursue the democratic principles in which it believes; that is, in voting for people and the authority given to them by way of the ballot box. Members cannot say that the commissioners will be there by virtue of the ballot box, unless we say that we elected the minister. Even that is not true, because we might elect the Government, but the ministers and people in authority are put there by some other means or method. It is a very dangerous step to take. As we go into the new millennium, the Government should be giving more authority, if not more responsibility, to people at a local level. It could be said that under the terms of clause 19, which deals with the appointment of commissioners, the Government is not recognising the work of those people at a local level. All members agree that local government is the most representative form of government possible.

I am concerned about the Government seeking to extend the period of appointment of these people. We have gone down the track of having roads boards and having the franchise restricted to property owners. We have been down those tracks

before, and if we do not learn the lessons of history, we are bound to repeat them. I cannot emphasise enough that the Labor Party opposes this clause. We are trying to convince people that the present terms of appointment of commissioners is the best way to go, and we should not extend the time of appointment to two years.

Hon NORM KELLY: The Australian Democrats also oppose clause 19. We understand why the Government wishes to double the time allowed for commissioners from one to two years, but the reasons given do not warrant the permanent inclusion of such an extension in the principal Act.

Hon B.K. DONALDSON: I oppose this amendment for the reasons I gave -

Several members interjected.

The CHAIRMAN: The question is whether to support or oppose the clause; the amendment on the Supplementary Notice Paper is out of order.

Hon B.K. DONALDSON: I apologise, I was called from the House.

Hon J.A. SCOTT: Having lost the support of Hon Bruce Donaldson, I oppose this clause for two reasons. Like Hon Tom Helm and Hon Norm Kelly, I believe that the power of the people is more important than the administrative niceties achieved by this provision. In addition, we have already heard that by virtue of subclause (4) inserting a new section 2.36A, the commissioners can be appointed for two years prior to the dissolution of a council. Therefore, the spade-work should largely be done prior to this situation arising. If the Government knows it will be changing the boundaries of or dissolving a council and has appointed commissioners, those people will have a stack of time to start making those plans before the one-year appointment under the Act begins. They have a lot of time to put in place all that is necessary. There is potential for commissioners to be in place for up to five years unless the period has been reduced. The Government has agreed to put such a proposal to the minister in the other place. At least three of those years could be spent ensuring that the proper administrative and other processes are in place. However, the commissioners should not be putting everything in place. When the City of Perth was divided, the new commissioners decided to have new names for the areas. The commissioners did not ask the community what they thought.

Residents in Victoria Park were not happy with the commissioners' proposal that the name of the local authority be Shepperton. That is not the sort of decision commissioners should make without community involvement. The commissioners should spend their time purely and simply on the major shift that is occurring, and not on that sort of detail. If a proper plan of action were in place - certainly the Government is gaining more expertise, because it is in the process of implementing a number of amalgamations or splits - the Government would ensure that all that needed to be done could be done. I oppose the clause.

Hon B.K. DONALDSON: I found to my dismay that the amendment had been ruled out of order while I was called away on urgent parliamentary business. The clause will allow flexibility for commissioners to be appointed for a longer period of time; it will not necessarily be the case every time. If the Parliament does not provide that flexibility now, it will be difficult to accommodate it at some later stage. The Government supports democratic principles and policies. It is important to remember that members on both sides of the Chamber have been involved in local government, and we fiercely protect the democratic principle of elected councillors. When commissioners are appointed, pressure always comes from local government associations to the minister of the day - whichever party is in power - demanding a quick return to the democratic process. If the committee defeats this clause we will take a step backwards.

Hon J.A. Scott: Do you think we need six years?

Hon B.K. DONALDSON: No. However, the clause will provide flexibility for commissioners to be appointed for a longer term, if needed. Everyone is hung up on the split-up of the City of Wanneroo into the Shire of Wanneroo and the City of Joondalup. The commissioners have a huge task in front of them. Hon Jim Scott said that the councils could be set up and elections held and then the councillors will sort things out. It would be one huge bunfight.

There must be a reason that Hon Jim Scott is so hung up on logos. However, that is not the reason the Government wants to provide the flexibility to extend the term of the commissioners.

Hon J.A. Scott: I have read their document, and it is there.

Hon B.K. DONALDSON: It may be, but it is not a major reason. Hon Jim Scott is being flippant. Frankly, I do not know why that would be included in that document. The clause will provide the flexibility to ensure that the assets of both the city and the shire which will be developed from the original City of Wanneroo will be distributed in a fair and meaningful way. The clause will ensure that the rating base does not leave the Shire of Wanneroo as a poor cousin. Members will reflect on concerns expressed in this place that the Town of Vincent would be the poor cousin of the three tiny towns, as Ms MacTiernan used to say. However, the late Jack Marks became the mayor of the Town of Vincent, and he did a terrific job. The Town of Vincent now has a significant and solid financial base. It can be done. I believe that the people of the Towns of Cambridge, Victoria Park and Vincent would say they have never had it better. They now have some very good

councillors. I am a ratepayer of the Shire of Wanneroo. I will be very pleased to see the return of the democratic process whereby councillors are elected by the people. However, I hate to think, as a ratepayer, that the split-up cannot be completed properly for the sake of three or four months. I am sure that the commissioners will complete their task with expediency. I am sure also that the minister will say when he responds that we are keen to have that democratic process put back in place.

Hon TOM HELM: I cannot believe that Hon Bruce Donaldson, who held a position in local government in the dim, distant past, would let those words come out of his mouth! He must have engaged his mouth before he put his brain into gear! If only the people with whom he worked in local government could have heard what he said! We are not talking about the trading hours of a shopping centre. We are talking about people who stand for local government elections. The minister is asking for another two years in case he cannot get it right. New section 2.36A in clause 4 provides for a period of two years to consider whether to abolish a shire if there is a problem. The Labor Party will agree reluctantly to a continuation of the 12-month period, but on the terms that Hon Bruce Donaldson has mentioned. If we were to get Liberals in local government and they could not do the job, perhaps Hon Bruce Donaldson would be right, but even if they were not Liberals and were not incompetent, I still could not agree to a period of two years.

I do not know the Shire of Wanneroo or the City of Joondalup, but I know a few shires in my area in the north west. What Hon Bruce Donaldson has just said is possibly the most insulting thing I have heard. How dare anyone say, "Well, just in case I cannot get it together in 12 months, you had better give me two years so that I can get it right"! The Minister for Local Government has behind him the whole Department of Local Government. I know that the competency of the minister is a little lacking, but he must have some confidence in his department and in the people who are elected to local government. Hon Bruce Donaldson cannot have us believe that the minister can, on advice, pick out three people to be the commissioners of a shire who will be better than the shire councillors who have been elected by the local people. If Hon Bruce Donaldson proposed that at a local ward meeting of the Country Shire Councils Association, the delegates would hang him, and rightly so! How dare he tell people in Hedland or Karratha, or wherever, that they are not as able as the minister at picking out people to run their shire. That attitude is a disgrace, and it does Hon Bruce Donaldson no credit at all. I can understand that the minister may be looking at some sort of compromise, but I believe firmly that the Labor Party is right. When we were in government, we supported some Liberal-controlled councils, because that is the respect that we have for each other. Two years is an insult! I believe we are right in not agreeing to this clause.

Hon B.K. DONALDSON: I must respond to that outburst from Hon Tom Helm. He is being very mischievous in putting words into my mouth, because I certainly did not say that commissioners were better than democratically elected councillors. I said that when we are dealing with the split-up of a council the size of the City of Wanneroo, we are dealing with a situation that is quite different from the situation in any of the councils that I knew through the Country Shire Councils Association, or even in a council such as the City of Perth.

Hon Tom Helm: You said that commissioners are better than councillors.

Hon B.K. DONALDSON: No. I said that in the break-up of a major council such as that, we need people who have no conflict of interest and do not take a biased position.

Hon Tom Helm: Are you saying they display that?

Hon B.K. DONALDSON: No. The member is putting words into my mouth. Splitting up a great deal of money is a very difficult task. If I were to leave Parliament and become an elected councillor of the City of Joondalup, I would ensure that all the splitting up and the hard work had been done and we could build on that. I said clearly that my preferred position is to ensure that a democratically elected council is reinstated at the first opportunity.

Hon Tom Helm: Why not make sure the minister gets it right in the first place?

Hon B.K. DONALDSON: It is not a matter of the minister getting it right. It is the process that must be right.

Sitting suspended from 6.00 to 7.30 pm

Hon NORM KELLY: Hon Bruce Donaldson did his best to prolong the debate on this clause. For that reason, I feel a pressing need to respond to some of his comments. He was talking about the break-up of what was Western Australia's biggest local government authority and the reasons that a lengthier period is required to facilitate the changeover into the City of Joondalup and the Shire of Wanneroo. I point out to Hon Bruce Donaldson the Local Government Advisory Service proposal that the split be made. Back in 1997, the City of Wanneroo made a submission to the inquiry investigating such a split. The submission is dated September 1997 and is one of about 100 other submissions. On looking through the submission, one realises the vast amount of detail that had been submitted to the inquiry on the proposed split at that time, more than a year ago. There are forward estimates of capital works programs for both the proposed new city and shire. One can see the amount of planning that had already gone into the break-up, even before the commissioners were appointed. Similar work has been done in defining ward boundaries in the two council areas.

For that reason, I am concerned that the split has not progressed at the rate at which I would expect, given the amount of spadework that has been done previously. I am sure as a local resident, Hon Bruce Donaldson would be interested in the proposal by the then City of Wanneroo. I realise if this clause is defeated, other amendments may be moved at a later stage. However, after Hon Bruce Donaldson's comments, the Australian Democrats' previous position may change by his ability to steer us from one course of action to another.

Hon M.J. CRIDDLE: The Government strongly supports this clause as it is drafted. Although the commissioners took office at the then City of Wanneroo at the end of 1997, much of the decision-making process regarding the new councils created on 1 July 1998 could not begin until after that date. If the clause is not passed, the commissioners will have a mere one year, or 18 months if a later amendment is approved, to restructure and implement two new councils serving more than 200 000 residents and with more than 1 000 staff between them. The clause merely brings the provision regarding the term of office of commissioners in an inaugural council into line with those that apply where a council is suspended or dismissed - that is, two years. If the clause is not passed and the inaugural elections are held prior to 1 July 1999, there will be matters not finalised by the commissioners which will inevitably result in conflict and disputation between the new elected councils. That could include decisions about the distribution of assets - physical, human and cash - which will need to be determined by the minister.

At a time following the inaugural elections when both councils want to establish their credibility, such conflict should be avoided. Retention of the commissioners will allow rational, objective determination of all such decisions without need for ministerial intervention to resolve disputes. Major decisions are still to be made on administrative accommodation, civic facilities, depots and plant and equipment. New premises for the Shire of Wanneroo will not be ready until June 2000, with temporary accommodation being required in the short term. Currently all former assets and liabilities of the City of Wanneroo have been transferred to or vested in the City of Joondalup. A position paper is to be prepared to provide for the distribution of those assets between the City of Joondalup and the Shire of Wanneroo. It is essential that a set of principles and a methodology be agreed up front to minimise any community dissatisfaction with the allocation. That process will not be completed until September 1999.

If elections are to be held in 1999, a lead time of at least four months is required. In addition, new wards and representation levels must be determined. It is not simply the case that if more staff or consultants are engaged, those matters can be finalised by 1 July 1999. Many decisions are consequential to others.

If non-government parties refuse to allow the clause in the full knowledge of the enormity of the tasks facing the commissioners, let them be put on notice now where the blame will lie if the incoming councils are immediately in conflict over those unfinalised matters. Although it would not be as satisfactory as if the current clause were passed, the Government would propose a further amendment allowing for a six-month extension for the commissioners of Wanneroo and Joondalup. That would require the inaugural elections to be held prior to 31 December 1999. Such a provision would be quarantined to those councils only and the existing one-year maximum would apply to any other inaugural councils.

Hon KEN TRAVERS: I did not intend to participate in this debate, as I had made my comments in the second reading debate, but after the minister's idle threat on behalf of the Minister for Local Government, I cannot avoid doing so. Let us make it clear that if there is a problem with the split of the City of Wanneroo, the blame will rest with the Government. The Government brought in the Bill in 1995. It amended the legislation in 1995 to make the time limit 12 months. The commissioners should have been told to get on with the job in July, because that is what the legislation said. If the minister wants to make such threats and say that it will be on the Opposition's head, when the Government clearly has not done its job properly until now, I will change my attitude.

Hon J.A. SCOTT: I am certainly worried about the minister's attitude. As Hon Ken Travers said, the current law was put in place by the Government.

Hon Ken Travers: And amended.

Hon J.A. SCOTT: Yes. If at this late stage we are concerned about getting things done on time, it is not the Committee's fault. There should have been an immediate appraisal of the job to establish how long it would take. Then legislation could have been introduced requesting an extension. However, to do so now, when this is not a new matter, is an attempt to push the blame in the wrong direction. It is political opportunism to make that statement and very counterproductive.

Clause put and a division taken with the following result -

Ayes (12)

Hon M.J. Criddle	Hon Max Evans	Hon Murray Montgomery	Hon W.N. Stretch
Hon Dexter Davies	Hon Peter Foss	Hon M.D. Nixon	Hon Derrick Tomlinson
Hon B.K. Donaldson	Hon Barry House	Hon Greg Smith	Hon Muriel Patterson *(Teller)*

Noes (13)

Hon Kim Chance	Hon John Halden	Hon Norm Kelly	Hon Ken Travers
Hon J.A. Cowdell	Hon Tom Helm	Hon J.A. Scott	Hon Giz Watson
Hon Cheryl Davenport	Hon Helen Hodgson	Hon Christine Sharp	Hon Bob Thomas *(Teller)*
Hon N.D. Griffiths			

Pairs

Hon N.F. Moore	Hon Tom Stephens
Hon Ray Halligan	Hon E.R.J. Dermer
Hon Simon O'Brien	Hon Mark Nevill
Hon B.M. Scott	Hon Ljiljanna Ravlich

Clause thus negatived.

Clauses 20 and 21 put and passed.

Clause 22: Section 4.33 amended -

Hon TOM HELM: The Opposition opposes this clause. Members of the Labor Party again stand four square on the equality of people's votes and the way those votes should be treated. We are not opposed to change. In fact, it has been demonstrated during this debate that we agree that some changes need to take place. We are certainly supportive of some of the changes that have been prescribed. However, this clause treats an owner or a landlord differently from an occupier or resident for no reason except that it demonstrates where the loyalties of members opposite lie. There have been no demonstrable examples of rolls not being a true reflection of where people are located. There are many ways to determine a person's eligibility, but one of them should not be because he is an owner, nor should he be ineligible until he reapplies for re-enrolment after four years and six months. I do not support the Government's argument and neither does the Australian Labor Party. We feel strongly that these things should be equal. The Act is reasonably happy in its way. If this clause were about compulsory voting, we may have an argument. However, it is not about that; it is about disfranchising people because they do not re-register. The Australian Labor Party does not think that people should be treated differently because of their status in society, and a person's right to vote should not necessarily lie in his need to enrol because he is one sort of person or another. I look forward to the minister's response. I oppose the clause.

Hon M.J. CRIDDLE: This clause seeks to allow non-resident owners of rateable land, once enrolled, to remain enrolled until their eligibility changes. Such a change arises when their property is sold. Since transactions are automatically notified to councils for rating purposes, tracking changes is easy. It is not easy for non-resident occupiers, whose status can change without council being aware, to know that they are no longer entitled to vote. It is not true that non-resident owners will be treated beneficially; that is not the point. The non-resident owner will be treated the same as the resident, but the non-resident occupier cannot be treated the same as these two groups because changes in eligibility are not known by the council. We support the clause.

Hon B.K. DONALDSON: I support the clause. It is very important because, as I said earlier, two rolls are consolidated. One is the resident's roll and the other is the ratepayer's roll. If in a normal case someone has been in a local authority area for more than two years, it suggests that he would have notified the Electoral Commission and automatically been on the electoral roll, and he becomes a resident with residential qualifications to vote. How many people would be affected by being occupied in a local authority area? The number would be very few because they are on the resident's roll. Two rolls are consolidated prior to an election. I think that one now sees some of the other changes that allow a CEO to regularly update the roll rather than doing it prior to an election, which is another very good aspect of this Bill that no-one has talked about. People are getting a bit hung up on this effect. Having been in local government for some time, I assure the members that more people are being disadvantaged by having to re-enrol as a ratepayer.

Hon M.J. Criddle: More likely the commercial tenants.

Hon B.K. DONALDSON: At the end of the day, if one lives in an area for any length of time, normally one would change one's address on the electoral roll, which in turn is consolidated with the ratepayers' roll. The occupier in this day and age is well protected. In fact, the word is almost dropped out because the two rolls are consolidated prior to an election. Therefore, every resident in a local authority area is entitled to vote. One should change one's address for a state or federal election.

Hon Ken Travers: Are we not also talking about commercial occupiers?

Hon B.K. DONALDSON: We are talking about commercial occupiers. That is right. It is not a great onus on commercial occupiers when they are required to apply every four years, or four years and six months, or whatever it might be. The main issue was that the ratepayers were required to continue re-enrolling. Since the Local Government Act came into operation

in 1995, it allowed the rolls to be purged when non-Australian citizens remained owners. However, they have now been given an exemption. At least the ratepayers' roll has been brought back into some order. That is a good first point. I do not believe anybody will be disfranchised.

I urge members on the other side to support this clause. Local government has asked for it. I know many ratepayers and landowners - members represent many landowners - have asked for this to be done. We should be looking at it in a more positive light than a negative light. Hon Ken Travers was starting to worry me. I thought he had not let go of the reins of the horse and cart and realised that we have motor cars these days. However, that is beside the point.

Hon Ken Travers: You are the one who is arguing for the early vote option.

Hon B.K. DONALDSON: Why not? I support the minister. Could the minister give me some indication of whether the Department of Local Government, or the minister's office, has estimated the percentage of people in a local authority, from an occupier's point of view, who would be affected by this?

Hon J.A. COWDELL: I pose a couple of questions to the minister on this clause. Firstly, why was this clause thought to be appropriate when we so thoroughly revamped the Local Government Act? Why is it now found to be inappropriate? I presume, from looking at the clause, that we have not reached the stage at which any absentee owner has been required to re-register. Therefore, it would appear to be an argument from a purely theoretical base. Because it occurs only after every second election, at this stage there would not be any owners who have been disadvantaged by this clause and are therefore protesting in any way. I also want to know what problem is being addressed; that is, how many absentee landowners have bothered to enrol? Is this a way of increasing the percentage of absentee landowners who have a significant say in each council as opposed to those who are on the state and federal electoral rolls? It appears to me that this change is a device to ensure that the proportionate say of the absentee landowners is greater than is currently the case. Of course, that would be a greater say as opposed to the ordinary resident who would be on the state or federal electoral rolls. It would be a matter of concern if this were merely a device, as it appears to be, to increase the percentage of absentee landowners on the roll. I am not aware of any practical experience leading to protests with absentee landowners having difficulty in re-registering. Have any been caught to date?

Hon J.A. SCOTT: I have always had concern that landowners can vote in a number of areas in which they have property. Consequently, they can have many votes on many councils. I am not sure whether that is a reasonable proposition. Certainly, such a vote is reasonable when someone has some real input to the local community as a result of ownership in an area. However, that community input does not apply in other cases. It is not totally democratic. In fact, if we had more such mechanisms in place, people might be encouraged to live closer to where they do business. Consequently, we would have a more environmentally sound city. If people wanted to vote in the area in which their shop is situated, they would be required to live in the area. That is not a question, but a point of view.

Hon M.J. CRIDDLE: Regarding Hon Jim Scott's point, the adage applies: There should be no taxation without representation. We do not know off the cuff the answer to Hon Bruce Donaldson's query about non-residents and occupiers. In answer to Hon John Cowdell, non-resident owners, once on the roll, stay on the roll. The same situation applies with residents. Nevertheless, the same provision cannot be applied to non-residential occupiers because changes in their eligibility are not known by the councils. The provision has not yet been in operation for four years, so we do not know the numbers involved.

Hon KEN TRAVERS: Is it correct that some of the property owners are able to nominate a representative? If a company owns the property, it can nominate two representatives. How can local government still be sure that two such people still represent that company at ensuing elections?

Hon M.J. CRIDDLE: The corporate owner or occupier can nominate two people in that regard.

Hon KEN TRAVERS: The argument is that we will know the representatives of those operations through the rate rolls. However, the company secretary could easily remain the nominee after moving on from the company; therefore, somebody with no connection with the property could exercise the vote under the provision, which I urge members not to support.

Hon J.A. COWDELL: If the Committee passes clause 22, will the practical effect be that in most, if not all, local government areas the percentage, say, of absentee landlords, as opposed to those on the state and federal electoral rolls, will increase?

Hon M.J. CRIDDLE: I do not quite understand.

Hon J.A. COWDELL: Presumably this device is intended to increase the participation and therefore the say of the absentee landowner, because if the absentee landowner does not have to re-enrol every four years, presumably this will increase the cumulative enrolment of the absentee landowner and therefore the participation of the absentee landowner. If that increases, it is increasing the say of the absentee landowner as against the ordinary resident and elector.

Hon M.J. CRIDDLE: The absentee landowners must still apply to get on the roll in the first instance. Then they will remain

on the roll.

Hon J.A. COWDELL: That was not my question. Would this device not increase the number of landowners on the roll, because if they did not have to renew every four years, the cumulative total will increase?

Hon M.J. CRIDDLE: If one assumes that they forget to enrol, the numbers will increase. Any nominee must be eligible to vote by being an Australian citizen. It is up to the corporate owner or occupier to ensure that the nominee enjoys its continued support.

Hon Ken Travers interjected.

Hon M.J. CRIDDLE: Surely it is up to the company's internal policy to decide that.

Hon KEN TRAVERS: The point I am making is that requiring nominees to re-register prior to every election ensures that the nominees of the companies are currently involved with and representatives of the company. Under the provisions of this clause we could get to a position in the future whereby the rolls do not accurately represent the position. If a number of companies have failed to act to change their nominations - because they are not interested or whatever - a whole range of people will be eligible to vote who have no connection to that area at all.

Hon M.J. CRIDDLE: If the company has gone by the wayside, surely the follow-on is that the company is not solvent any more and therefore not operating.

Hon Tom Helm: Nominees may have resigned or retired from the company.

Hon M.J. CRIDDLE: If the company tells its bank that the person is no longer a nominee, it would also tell its council that the person is no longer its nominee.

Hon NORM KELLY: This debate would probably be more vigorous if we were debating whether non-resident landowners should be entitled to vote at all rather than the present situation. The comment about no tax without representation makes me quite happy to see that we have long gone past those dark old days in this Chamber when only landowners were entitled to be present and when there were no Democrats.

Hon Ken Travers: Stop rubbing it in; members opposite are still regretting making that decision.

Hon NORM KELLY: My understanding of this clause is that it simplifies the opportunity for landowners to remain on the local government electoral roll. Unless there is a proposal to amend the Local Government Act to remove from non-residential landowners their entitlement to vote, then I believe the clause presents a realistic way of retaining those non-residential landowners on the roll. My understanding of section 4.32 of the Act is that those landowners are still required to make application to be on the roll in the first place, in the same way that a resident needs to make application to go onto the state or federal electoral roll in the first place. In a similar way, if a resident changes address or moves to another shire and does not notify the WA Electoral Commission he has changed address, he will be on the roll for the local government elections. As some of the ALP members said, so too can people who are not residents of a local government area vote, simply because of their neglect to update the roll. In the same way that a company may neglect to update its voting entitlements, so too may residents. With the transient nature of residents, the situation is even more pronounced in relation to local government elections given the smallness of so many local government areas in the State. It is easy to move a few streets away and be in a different local government area. For those reasons I would appreciate the opportunity for a wider debate on amendments regarding voting entitlements, such as the multiple voting entitlements of occupiers of commercial properties. The Democrats would support a reduction in those voting entitlements. However, this clause is a simplification of the registration entitlements. Other problems stem from the discrepancies between local and state government voting entitlements and registration procedures. This clause will improve the situation.

Hon TOM HELM: I was waiting to hear the pearls of wisdom justifying this clause. However, I have been told that it will improve the lot of a forgetful owner who puts a nominee in place to vote on his behalf. I do not have a problem with that. However, in the north west particularly, how will it affect Homeswest tenants, for instance, or workers in the iron ore industry? Many workers in the north west, although not so many now, as part of their conditions of employment, rent a property from the iron ore companies. For instance BHP Iron Ore has many houses -

Hon M.J. Criddle: They are already residents.

Hon TOM HELM: They must register every four and a half years.

Hon M.J. Criddle: They do not.

Hon TOM HELM: Are we talking about residents who do not occupy?

Hon M.J. Criddle: Occupiers who are not residents.

Hon TOM HELM: I was not clear about that. Homeswest tenants should not have to register every four and a half years

and tenants who occupy a mining company home should not have to register again. If it is okay for the owners of properties, surely it should be okay for the people who are living within the area or those living in the area for the purposes of voting. In other words, the Electoral Commission updates the roll often. We have ways of ensuring these things happen. I am mystified about the benefits of this except to the property owners. What universal franchise gains are made? Why would we want to disfranchise people because they forget to enrol? We should not tell people who live in the area and forget to enrol after four years and six months that they cannot vote unless they are an owner who does not enrol anyway. It appears that the Government is prepared to forgive owners of property but people who do not own property and are enrolled to vote as a tenant of a commercial property must enrol and re-enrol four years and six months after the election.

Hon M.J. CRIDDLE: If one is a resident and on the state or federal electoral roll, one does not have a problem.

Hon Tom Helm: Ever?

Hon M.J. CRIDDLE: Commercial tenants who are not residents must re-enrol. It is as clear as that.

Hon J.A. SCOTT: What is the situation in which a property is jointly owned by investors? Do they both get a vote?

Hon M.J. CRIDDLE: If a property is owned by multiple owners, they can nominate two voters.

Hon TOM HELM: I have spoken to my comrade Hon Ken Travers, and listened to the minister talk about commercial property. I know I am a bit slow but could the minister explain it more clearly? It does not say anything about "commercial"; just "ownership of rateable property". If it was written in the Bill, I would understand it better.

Hon M.J. CRIDDLE: The occupant of a rateable property, not the resident.

Hon Tom Helm: Rateable property can be commercial or non-commercial.

Hon M.J. CRIDDLE: If one is living there, one is a resident.

Hon Tom Helm: And you do not have to enrol every four years and six months. It is only if you work there that you have enrol.

Hon KEN TRAVERS: This may be covered in the substantive Act we are seeking to amend but this clause refers to a claim made by a person on the basis of ownership of rateable property which expires when the person ceases to own the property related to the claim. Could the minister clarify that we are only referring to property owned by an individual and not property owned by a body corporate or a company?

Hon M.J. CRIDDLE: It applies to a person who is a private or corporate owner.

Hon KEN TRAVERS: However, the clause states "when the person ceases to own the property," not when the people on whose behalf a nominee is operating cease to own the property. That drafting suggests that it applies only when an individual owns a property, not a body corporate. I also seek clarification on the point made by the Australian Democrats. I had the impression they were arguing in support of the removal of the property franchise in local government but were still prepared to support this amendment to make it easier for the landed gentry to vote. Is that correct?

Hon M.J. CRIDDLE: Parliamentary counsel has drafted it on that basis.

Hon J.A. SCOTT: If a person who owns and resides in a rateable property gets one vote, how many votes does that person get if he also owns and rents out a rateable property?

Hon M.J. CRIDDLE: If a person lives in Canning, he can vote there. If that person owns a property somewhere else, he gets a vote there as well.

Hon J.A. Scott: Is the minister saying that an absentee landowner can vote twice?

Hon M.J. CRIDDLE: A non-resident owner has a vote.

Hon J.A. SCOTT: Does a property owner who rents out a property in the same shire in which he is a tenant in a property get a vote as a non-resident landowner and as a resident or does he get only one vote?

Hon M.J. CRIDDLE: If the properties are in two different wards he will get a vote in each ward. If the properties are in the same ward he will get one vote.

Hon KEN TRAVERS: If I owned the house in which Hon Jim Scott lives, he would have a vote as a resident. As the property's owner, would I have the opportunity to nominate one person or two people to vote?

Hon M.J. CRIDDLE: The person who owns the property would get one vote, and the tenant would get one vote.

Clause put and a division taken with the following result -

Ayes (14)

Hon M.J. Criddle	Hon Peter Foss	Hon Murray Montgomery	Hon W.N. Stretch
Hon Dexter Davies	Hon Helen Hodgson	Hon B.M. Scott	Hon Derrick Tomlinson
Hon B.K. Donaldson	Hon Barry House	Hon Greg Smith	Hon Muriel Patterson *(Teller)*
Hon Max Evans	Hon Norm Kelly		

Noes (11)

Hon Kim Chance	Hon N.D. Griffiths	Hon J.A. Scott	Hon Giz Watson
Hon J.A. Cowdell	Hon Tom Helm	Hon Christine Sharp	Hon Bob Thomas *(Teller)*
Hon Cheryl Davenport	Hon Ljiljanna Ravlich	Hon Ken Travers	

Pairs

Hon M.D. Nixon	Hon John Halden
Hon N.F. Moore	Hon Tom Stephens
Hon Ray Halligan	Hon E.R.J. Dermer
Hon Simon O'Brien	Hon Mark Nevill

Clause thus passed.

Clause 23: Section 4.39 amended -

Hon NORM KELLY: This is a simple amendment. However, it raises another point that I want to make about the problems that are created when we have discrepancies between voting and enrolment procedures in state, local and federal elections. The requirement in this case is that the closing time for enrolments in local government elections be 5.00 pm. The closing time for enrolments in state elections is 6.00 pm. The closing time for enrolments in the 1996 federal election was 12 noon. I recall that in the electorate for which I was enrolling, one candidate turned up with seven seconds to spare. These discrepancies in the closing times make it more confusing for people who are involved in the electoral process. In my discussions with Steven Tweedie, it was explained to me that because we are talking about a set date for an election, this time is more suitable. We should perhaps consider doing the same thing for state elections. We should endeavour to make all matters that are connected with federal, state and local government elections as streamlined and as fluent as possible.

Hon M.J. CRIDDLE: The Western Australian Municipal Association wanted 4.00 pm. This is a compromise between the two. I am not sure that it is possible to have a set time for state and federal elections, because the elections come up at different times. Local government elections are held regularly, and we do not seem to have a last minute rush for enrolments anyway.

Clause put and passed.

Clause 24 put and passed.

Clause 25: Section 4.52 replaced and consequential amendment -

Hon NORM KELLY: The details that shall be exhibited to the public under new section 4.52(3) are the candidate's name, the name to appear on the ballot paper, the ward, the office for which the candidate has nominated, and the type of election. The Australian Democrats believe that this does not go far enough. Ideally, we would like any political party affiliation to be exhibited also to make it quite clear whether party members are standing for local government -

Hon B.K. Donaldson: There are no politics in local government. You know that!

Hon NORM KELLY: I know that certain political parties would try to get around any such provision. It is important also that people see the address of the candidates so that they know whether they are from the local area. We all know that people who live in the local area are more aware of the local concerns.

Hon Derrick Tomlinson: From which side of the river are you from? Are you from over there in Como?

Hon NORM KELLY: Not Como; a lot further east than Como. It is important in local government elections to know where candidates are from, especially in postal ballots.

Hon M.J. CRIDDLE: The addresses of people on the electoral roll is public knowledge. That is not an issue. As to party affiliations, I could resign the day before, nominate, go through the election process and rejoin the party. I do not see a problem with that amendment.

Hon J.A. SCOTT: I agree with Hon Norm Kelly. There is an inordinate effort these days by people trying to give away their party affiliations in local government. They seem to believe, for some reason, that it prevents them from being elected. It would be impracticable to try to bring that into being through the Act.

Clause put and passed.

Clauses 26 to 29 put and passed.

Clause 30: Section 5.50 amended -

Hon M.J. CRIDDLE: I move -

Page 17, after line 2 - To insert the following new subclause -

(3) The value of a payment or payments made to a person under this section is not to exceed such amount as is prescribed or provided for by regulations.

Hon TOM HELM: The Australian Labor Party is happy to accept this amendment proposed by the minister. This is a good example of the cooperation between the parties to do what is in the best interests of the electors; therefore, I will not be moving the amendment standing in my name.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 31 put and passed.

Clause 32: Section 5.62 amended -

Hon TOM HELM: I move -

Page 19, line 9 - To delete "the" and substitute "any".

I move the amendment, again in the interests of transparency. The Government has proposed that if a candidate during an election is given support in either a monetary or physical way or by way of a gift from a person or industry within the shire, once that election period is over and the successful candidate stands for election again, the candidate does not have to declare that gift again if a matter comes up for debate that may have some bearing on what that candidate received at that time. There is a problem. It could be an extraordinary election, and therefore the person could get substantial assistance from an individual. After one year he will be able to continue in the shire for the next full term but he will never need to declare an interest in any item that the shire debates. Opposition members consider that to be a backward step. Politicians must fulfil certain obligations in terms of affiliations and the source of their support. That is good - it is the aim of transparency - and it is something of which to be proud. Surely the same circumstances should apply in local government. We are talking about grassroots representation and about people making decisions at local level that could easily be influenced by a business person, a group of business people, a political party or whatever. It is not beyond the realms of possibility that a donation could be debated and that the person or organisation who made the donation could receive a shire grant over many terms. Such donations should be declared openly. The process should be accountable. We should understand clearly where everyone is coming from when they form their conclusions.

Local government cannot be more undermined than by a rumour or innuendo that councillors are in other people's pockets. I make no comment about the Wanneroo matter because I know nothing about it, but I read in the newspaper about possible corruption, someone going to jail and so on. We should have a clear picture of why people take up their positions and why their decisions may be coloured, because the integrity of shire councils is paramount. The Labor Party feels strongly that incentives, inducements or donations should be acknowledged. One should be able to say that one received a donation from the Labor Party, the union movement, Karratha Recreation Club, businesses, and princes - whatever they may be. Let us have it out in the open and let us not pretend that such things do not happen. Even at the end of a four-year term, we should be able to say that the person who made that donation did so four and a half years ago. The process should continue.

Hon M.J. CRIDDLE: The Government opposes the amendment. A four-year quarantine is sufficient. If the period is any longer, there will be difficulties in identifying who donated what. Even if the matter involved only the printing of cards, there would be difficulty in identifying the person over time.

Amendment put and a division taken with the following result -

Ayes (11)

Hon Kim Chance	Hon N.D. Griffiths	Hon J.A. Scott	Hon Giz Watson
Hon J.A. Cowdell	Hon Tom Helm	Hon Christine Sharp	Hon Bob Thomas *(Teller)*
Hon Cheryl Davenport	Hon Ljiljanna Ravlich	Hon Ken Travers	

Noes (14)

Hon M.J. Criddle	Hon Max Evans	Hon Barry House	Hon M.D. Nixon
Hon Dexter Davies	Hon Peter Foss	Hon Norm Kelly	Hon Greg Smith
Hon B.K. Donaldson	Hon Helen Hodgson	Hon Murray Montgomery	Hon W.N. Stretch

Hon Derrick Tomlinson Hon Muriel Patterson *(Teller)*

Pairs

Hon Tom Stephens	Hon B.M. Scott
Hon E.R.J. Dermer	Hon N.F. Moore
Hon Mark Nevill	Hon Ray Halligan
Hon John Halden	Hon Simon O'Brien

Amendment thus negatived.

Clause put and passed.

Clauses 33 and 34 put and passed

Clause 35: Section 5.69A inserted and consequential amendments -

Hon KEN TRAVERS: I refer to new clause 31, which we have just passed and which relates to financial interests and the definition, and ministers exempting committee members from those disclosure requirements. I would like some clarification of what is seen as an interest that would need to be exempted or disclosed. If a councillor were to own a shopping centre located in the local government authority area and the local government authority were involved in proposals to redevelop another shopping centre within its boundaries, would that councillor be required to seek an exemption under this clause from having to declare a financial interest?

Hon M.J. CRIDDLE: He could seek an exemption, but the other councillors would not get one because they could make a decision without him.

Hon KEN TRAVERS: A circumstance such as that would be considered a financial interest under proposed section 5.60A which would require them to seek that exemption, and it would then be up to the council to determine. Is that how it would work?

Hon M.J. CRIDDLE: If a person on a council owns or occupies land and there is a block adjacent, clause 31 comes into effect. Clause 35 is different.

Hon KEN TRAVERS: If a person owned a shopping centre and the council was considering the development or redevelopment of a shopping centre somewhere else within the local authority area, would that be considered an interest that would require an exemption if the person wanted to participate in the committee stage of the council's deliberations?

Hon M.J. CRIDDLE: I go back to the original point I made. The minister would not grant an exemption because the rest of the council can make the decision.

Hon J.A. SCOTT: How does the minister establish the interest of the ratepayers?

Hon M.J. CRIDDLE: This is a new section which will allow the minister to exempt certain committees from all or part of the financial interest provisions. Some local governments have established special interest committees with representation from the community to advise the council on these special matters. Occasionally the special interest matter may be a financial interest which is well-known to the community, but which requires continual declarations of interest by all members, thus making the running of the meeting unworkable. In such circumstances, the minister could use his power to grant general exemptions of this type, enabling the committee to carry out its business for the benefit of the community. It is expected that these exemptions will be granted only in certain circumstances.

Hon J.A. SCOTT: Can the minister provide an example of the special interest things that these committees would be required to do?

Hon M.J. CRIDDLE: The Shire of Swan wanted to develop a Midland town centre and all members of the committee had an interest in it; that is an example where this would come into effect. They all had an interest in the charette for the Midland townsite development.

Clause put and passed.

Clauses 36 to 44 put and passed.

Clause 45: Section 8.16 amended and consequential amendments -

Hon J.A. SCOTT: I am concerned about the change from three persons to one person. I know that there is a discretion in that clause to have either one person or three people on an inquiry panel. However, when an inquiry is being conducted into important matters which may have a great effect on not only the community as a whole, but also individual lives, for the sake of saving a small amount of money we should not be in the situation whereby one person becomes the authorised person rather than three people carrying out that role. There may be a conflict between a particular council and the State Government, and I am concerned that this could be used in a vindictive way to ensure that the minister of the day received

the sort of report that he wanted. If an inquiry panel consists of three people, one of whom is selected by the local government organisation, it would be more difficult for a hanging judge to be put in place, with councils receiving bad reports from that individual. As I said previously, having seen what happened in Cottesloe in recent times, I am concerned about one person being given that role. I want to see three people on an inquiry panel.

Hon M.J. CRIDDLE: Firstly, what happened in Cottesloe was a departmental investigation; therefore, it was not one of these inquiries. If the inquiry panel consists of one person, that person must be a legal practitioner. Obviously, there can be three people on the inquiry panel. However, this gives us the opportunity for some flexibility in presenting a case.

Hon NORM KELLY: I understand that if an inquiry panel consists of one person who is a legal practitioner, that person must be agreed to by the minister and the Western Australian Municipal Association. It is only if there is an inability to agree on a person that it reverts to the minister for a set period of time. I am not too sure of the time. When I was considering this clause, the explanation given to me was that one could have a small, remote shire with a small inquiry, and the cost of three people conducting an inquiry would be exorbitant in relation to the matter being pursued. However, are there any obligations on the minister to explain why he decided to have only one person on an inquiry panel rather than three people? On the occasions when a one-person inquiry is to be conducted, I would feel more assured if the minister was required to give good reasons why he decided on a one-person panel rather than a three-person panel. In addition, if it is within the powers of the panel to recommend the suspension of a councillor or councillors, I would be extremely concerned if such a decision was made by one person. If the matter being investigated was very serious, even if it was not obvious at the beginning of the inquiry, would it be necessary to increase the panel from one person to three people before such a recommendation were made or action taken?

Hon M.J. CRIDDLE: If the minister and the Western Australian Municipal Association disagree, it goes to a panel of names submitted by the Law Society and selected by the minister. Regarding investigations of a suspension, the panel can only make recommendations of dismissal or reinstatement.

Hon NORM KELLY: Is the minister saying that the inquiry panel can make recommendations for dismissal, for instance? I am concerned that once the recommendation is made, it will carry substantial weight. Such a recommendation should be vetted in some way. In the normal course of an inquiry by a panel of three people, it is automatically done by the very make-up of the panel consisting of an appointment from WAMA, one from the minister and a legal person as chair. In that case, one would consider that a reasonable process was followed in reaching such recommendation. A panel of one person is more open to abuse, especially on a matter as serious as the suspension of a council.

Hon M.J. CRIDDLE: The panel comes into action after suspension. It can only recommend dismissal or reinstatement.

Hon Tom Helm: Who suspends - the minister?

Hon M.J. CRIDDLE: Yes.

Hon J.A. SCOTT: First, I find it funny to call one person a panel; the terminology is a little unusual. I have heard of a panel beater, but not a single person being a panel. However, the minister will send in a panel to conduct an inquiry. Therefore, will it be the same inquiry panel which recommends that the council be suspended -

Hon M.J. Criddle: Once a minister suspends a council, an inquiry is held. The inquiry can go on to recommend dismissal or reinstatement.

Hon J.A. SCOTT: Once the minister suspends the council, he then sends in the panel of one or three people, which recommends that the council be dismissed or reinstated. He can dismiss only if it recommends dismissal.

Hon M.J. Criddle: Yes, but he does not have to.

Hon J.A. SCOTT: I am still worried because the Government is basically taking extra people out of the loop in making that recommendation. It is a fairly serious matter. I feel as Hon Norm Kelly does; there should be some other step. If a single person is sent in the form of a panel and his recommendation is to get rid of that group of councillors, as I say, there should be another step and maybe other people should be brought in to examine the reports and then to act officially rather than unofficially in the minister's office before the dismissal takes place.

As I have said, it is much easier for a single person to make an error. He may not have the broader judgment. Merely because he is a legal practitioner, does not give him the expertise to have full knowledge of what is occurring in a particular council. It certainly gives him expertise in some directions but I do not like the idea of one person at the end of the day recommending to the minister that the council be dismissed.

Hon M.J. CRIDDLE: The Government stands by the clause. We have royal commissions in the form of one person and a judge who is one person. It happens every day. Only one of those instances has occurred in the past four years.

Hon J.A. SCOTT: As the minister has raised the point, I am not very happy with the way royal commissions are conducted either. Premiers should not have the prerogative of calling royal commissions and giving them points of reference because

they can be unreasonable at times and very one-sided. Because it occurs in another area is not the right reason to put it into the Bill. I understand and I am concerned about the extra costs involved in a very small investigation or inquiry. The Royal Commission into the City of Wanneroo was not conducted in a perfect way by any means. There would be more justice for councils if there were three people rather than one.

Clause put and passed.

Clauses 46 to 56 put and passed.

New clause 57 -

Hon M.J. CRIDDLE: I move -

Page 34, after line 8 - To insert the following new clause -

57. Extension of time for Joondalup and Wanneroo inaugural elections

(1) In this section -

"inaugural election" has the meaning given by section 4.2(2) of the *Local Government Act 1995*.

(2) Despite section 4.3(2) of the *Local Government Act 1995*, the day fixed for any poll needed for the inaugural election for the City of Joondalup established on 1 July 1998 may be any day that is not later than 31 December 1999.

(3) Despite section 4.3(2) of the *Local Government Act 1995*, the day fixed for any poll needed for the inaugural election for the Shire of Wanneroo established on 1 July 1998 may be any day that is not later than 31 December 1999.

Hon TOM HELM: The Australian Labor Party appreciates the attempt by the minister to compromise on this matter. I assume the clause gives the commissioners 18 months to isolate the two areas of Joondalup and Wanneroo. I do not profess to know anything about these areas, but I would be somewhat comforted if there were no bullying tactics from the other side of the Chamber. I am informed that opportunities have arisen to resolve the Wanneroo issue over a period. Some opportunities have been missed by this Government and some decisions were not the correct ones. This is an opportunity for the Government to correct its mistake by extending the length of time the commissioners will be in power and to isolate Wanneroo. I do not think it is our job as members of Parliament to see that democracy is undermined because a mistake has been made. I have been advised by my comrade, Hon Ken Travers, that the consultative processes at Wanneroo and Joondalup have been less than desirable. I and the Labor Party are adamant that attempts should be made to correct those mistakes other than to throw democracy out the window. It should not fall on us as members of Parliament to undermine the role local authorities play in our State. The ALP has not changed its position, although we appreciate the minister's attempt to compromise.

Hon M.J. CRIDDLE: The six months extension might not be ideal but it will ensure that the commissioners can complete a number of projects that it will not be possible to complete by June 1999.

Hon NORM KELLY: I see this new clause as an admission that the commissioners have been negligent in completing a task in the required time. We could require those commissioners, or replacement commissioners if need be, to complete the tasks by 30 June, or we could support this amendment to extend that time to the end of 1999. Before I support this new clause, I would like to hear from the minister the plan for completing the task by June next year if this clause were defeated.

Hon M.J. CRIDDLE: The consequence will be that major projects will not be completed. The object of the clause is to extend the commissioners' appointments to December.

Hon NORM KELLY: That probably sums up in our minds the Government's inability to get its act together by insisting that the commissioners hasten the pace. It is very difficult at this late stage, with six and a half months before the statutory deadline, to speed up the process given the history so far and the fact that the commissioners appear to have been operating from day one on that two-year time frame. As I said during the second reading debate last night, we are between the devil and the deep blue sea. If we insist on the 30 June 1999 deadline, we will be asking five commissioners to suddenly increase their pace far more than they have been able to do so far. The alternative would be to get rid of those commissioners and put in five commissioners who can do the job. Of course, new commissioners coming in with only six and a half months to go would face an even more challenging task. There is no easy way around the problem. I would also like an assurance that the new councillors who, according to this clause, must be elected by the end of 1999, will be sworn in prior to the end of 1999. That would be the normal procedure but these matters have not been acted out in the normal way.

Hon J.A. SCOTT: I am also interested in knowing what resources are at the disposal of the commissioners to assist them

to do their job and whether they can access outside assistance to perform their tasks quicker. For example, can they make use of accountancy firms, the appropriate computer experts and expertise within Government?

Hon M.J. CRIDDLE: The commissioners have brought in consultants to help them with the restructure. In ordinary circumstances it is likely that a postal vote election will be held early in December with the council taking office by the end of May. That is what is expected if everything goes to plan. If this clause is passed, the next amendment will require the commissioners to provide the minister with a quarterly report on the performance of their functions which will be tabled in the House. That requirement was made of the City of Perth commissioners.

Hon NORM KELLY: How many people are employed on the division of the City of Wanneroo into two councils; that is, not working on the normal day-to-day operations of the council but specifically on the establishment of the City of Joondalup and the Shire of Wanneroo?

Hon M.J. CRIDDLE: It is a tall order to ask that question at this time but I will ask the Minister for Local Government to supply that information.

Hon NORM KELLY: I asked that because I understood that only one person was working on this task. A commissioner told me that the commissioners have reasonably free access to resources to implement this change. The fact that no more people are working on the project shows a slackness on the part of the commissioners.

Hon M.J. CRIDDLE: The council's staff and consultants are involved in bringing this project to fruition. I will seek the information from the minister.

Hon KEN TRAVERS: My natural inclination is to oppose this amendment. Before this Parliament accepted an amendment along these lines it would need a commitment from the Government and the commissioners that they see their role as splitting the councils, not making long-term policy decisions. The commissioners continue to look at matters like whether to charge junior sports groups for use of ovals - an issue which the commissioners began to consider earlier this year. They have also considered contracting out rubbish services. Those decisions should be left to elected councillors. The Opposition wants a commitment from the Government that, firstly, the commissioners will not make long-term policy decisions; and, secondly, the commissioners will put in place mechanisms for greater community involvement in the decision-making process and will take on board the wishes of the community. I have offered some suggestions as to how that could occur. For example, an advisory committee that was representative of the communities of Wanneroo and Joondalup could assist the commissioners in their deliberations. The commissioners may not agree with the advisory committee, but they should listen to them and act according to the wishes of the people.

The Opposition wants a commitment from the Government that it will not continue to hold the Parliament and its legislation in contempt, and that, in future, it will abide by legislation that it puts in place. The Government introduced this legislation in 1995.

Hon M.J. CRIDDLE: The commissioners' responsibility is to provide efficient and effective services, and their primary role is to prepare for the restructure.

Hon J.A. SCOTT: I add my concerns that the commissioners are dealing with areas which are not part of their primary concern. I have a list of the decisions they have made, and with respect to Hon Bruce Donaldson, the adoption of logos is included on that list. That is a non-core issue which should not be dealt with by the commissioners. I agree with Hon Ken Travers that the core issue of the division of assets is probably one of their more important functions.

Hon M.J. Criddle: Their primary role is to prepare for restructure, and their responsibility is to provide efficient and effective services.

Hon J.A. SCOTT: That would not include the selection of new logos, which is a time waster, and should be the role of the elected government, as should a number of other issues the commissioners are involved in.

Hon NORM KELLY: Although the Australian Democrats are not comfortable with extending the period by six months, we will support the new clause. It is not ideal, and we do not appreciate the Government's blackmailing this place by asking us to accept an amendment at this late stage. However, if we do not support the amendment, there is a real danger that the people of Wanneroo will be worse off in the long run.

I seek a further assurance from the minister that elections will be held in early December. I hope that if the commissioners read this debate they will realise its tone and will try to facilitate an even earlier election and show that they can respond to the concerns not only of Parliament but of the people of Wanneroo by getting a democratically-elected council back in place.

Hon M.J. CRIDDLE: I will ensure that the minister is told about the tone of the debate that has taken place in this Chamber and about the emphasis that the member has put on getting on with the job and holding the election as soon as possible.

Hon KEN TRAVERS: It would be wrong to conclude this debate without saying that the commissioners have done the job that they were asked to do by the Government. I believe they have tried their best to do that, and the problem lies not with

the commissioners but with the Government and its instructions to the commissioners.

New clause put and a division taken with the following result -

Ayes (14)

Hon M.J. Criddle	Hon Peter Foss	Hon Murray Montgomery	Hon Greg Smith
Hon Dexter Davies	Hon Helen Hodgson	Hon M.D. Nixon	Hon Derrick Tomlinson
Hon B.K. Donaldson	Hon Barry House	Hon B.M. Scott	Hon Muriel Patterson *(Teller)*
Hon Max Evans	Hon Norm Kelly		

Noes (11)

Hon Kim Chance	Hon N.D. Griffiths	Hon J.A. Scott	Hon Giz Watson
Hon J.A. Cowdell	Hon Tom Helm	Hon Christine Sharp	Hon Bob Thomas *(Teller)*
Hon Cheryl Davenport	Hon Ljiljanna Ravlich	Hon Ken Travers	

Pairs

Hon W.N. Stretch	Hon Tom Stephens
Hon N.F. Moore	Hon E.R.J. Dermer
Hon Ray Halligan	Hon Mark Nevill
Hon Simon O'Brien	Hon John Halden

New clause thus passed.

New clause 58 -

Hon M.J. CRIDDLE: I move -

Page 34 - To add the following new clause to stand as clause 58 -

58. Quarterly reports by Joondalup and Wanneroo commissioners

(1) In this section —

"commissioners" has the meaning given by clause 7 of the *Joondalup and Wanneroo Order 1998* published in the *Gazette* on 26 June 1998.

(2) Within 14 days after the end of each quarter, the commissioners of the city of Joondalup are to report to the Minister about the performance of their functions.

(3) Within 14 days after the end of each quarter, the commissioners of the Shire of Wanneroo are to report to the Minister about the performance of their functions.

(4) The first reports under subsections (2) and (3) are to be given to the Minister after the quarter ending on 31 March 1999.

(5) The Minister is to cause each report to be laid before each House of Parliament on the next sitting day of that House after the Minister receives it.

(6) If because a House of Parliament is not sitting, a report can not be laid before that House within 7 days after the Minister receives it, the Minister, within that time, is to —

(a) give a copy of the report to the Clerk of that House; and

(b) cause the report to be printed and made available to the public.

(7) A copy of the report given to the Clerk of a House under subsection (6) is to be laid before that House on its next sitting day.

Hon TOM HELM: The Australian Labor Party will bow to the inevitable, having lost the last vote. We support this new clause because it is consequential upon the last vote that we took; and if we do need to go down this path, the reporting procedures are certainly the way to go.

Hon NORM KELLY: Before we automatically support this new clause, it would be good to have on the record, given the debate so far, what the commissioners will be expected to provide in their quarterly reports.

Hon M.J. CRIDDLE: The new clause states simply that the commissioners are to report to the minister about the performance of their functions.

Hon NORM KELLY: I applaud the Government for subclause (5), which provides that the report is to be laid before each House of Parliament on the next sitting day of that House after the minister receives it. We believe that the report should

be tabled as soon as possible, and to provide that it shall be tabled on the next sitting day sets a good precedent for this Government, and we encourage it to continue that precedent in future Bills.

New clause put and passed.

Long title -

Hon M.J. CRIDDLE: I move -

To insert after the word "amend" the words "and affect".

Amendment put and passed.

Long title, as amended, put and passed.

Bill reported, with amendments, and an amendment to the title.

HEALTH AMENDMENT BILL

Second Reading

Resumed from 2 December.

HON KIM CHANCE (Agricultural) [9.24 pm]: The Opposition supports this Bill. We have been trying for the last few days to determine a set of amendments which will qualify the degree of our support. Although that process is not entirely complete, we are close to reaching a point of accommodation. There are somewhat unusual circumstances in that one of the handful of smokers in the Chamber is leading the Opposition's position on this legislation. For the sake of consistency, I add that I also supported the Australian Labor Party's current and public position in the party room. There is undeniable public demand for an increased number of places in public enclosed areas in Western Australia to be clean air. In five years, given the amount of movement that we have seen on smoking restrictions in Western Australia, the position that we advocate now, which is seen by some to be going too far ahead of community demands, will be seen to be too conservative and, possibly, indefensible.

Over the past few days opposition members have been the target of some gentle lobbying on the matter, principally from people involved in one way or another in the hospitality industry. It seems to me that some of that lobbying has been driven by a misunderstanding of the Opposition's objectives. To an extent I do not sheet home any blame to the hospitality industry for that, in part because I have already explained that the Opposition's position has been a bit obscure. Two weeks ago it announced a general position, and basically it has not deviated from it. The House now has a set of amendments on what is now Supplementary Notice Paper 22-4.

Hon Max Evans: No 5 is coming up; they have just gone outside to sort it out.

Hon KIM CHANCE: No 5 is just coming up now, so there could be other changes. Although they are changes of detail, they are important and they will have an impact on businesses whose clients want to smoke while they enjoy whatever it is they do in a casino, hotel, nightclub or whatever. The Opposition has been sensitive to that. In effect, the points that have been raised by those places of hospitality provision and by lobbyists on their behalf have driven the fairly continual revision of the Opposition's position on the amendments. I accept some responsibility for that confusion about the Opposition's objectives, but the misunderstanding has been spectacular in some cases. In particular, I refer to a letter which I received on 4 December from Philip Morris Corporate Services Inc, which I do not intend to read in its entirety. I shall read only the first sentence - incidentally, it is addressed to "Dear Ms Chance", which is always a good way to get on my right side. It reads -

> Recent reports in the press have indicated that the Labor party is considering supporting the introduction of a blanket smoking ban in public places to take effect in the future.

I was happy to write back to Mr Michael Herskope, who is the Senior Manager, Corporate Affairs, Philip Morris Corporate Services Inc, and tell him, albeit very briefly, that we have no such intention. That matter aside, genuine issues of concern have been raised, particularly by the Australian Hotels Association, although it has not been alone in terms of the possible effect on licensed premises of the Australian Labor Party's fairly commonly known position of supporting or permitting smoking in one bar only. At this stage, that is not finally resolved, although I imagine that when the Bill leaves this place it is likely that it will still hold the integrity of that position.

The Labor Party's position has not been one that would cause a blanket ban. That mistaken belief may have led many people to believe that their businesses are at greater risk than they had need to. True, the Labor Party does advocate a total ban on smoking of tobacco and, although not covered by the effects of this Bill, other substances that lead to passive smoking by non-smokers in enclosed public places. That relates in particular to hotels, clubs, restaurants, bars, nightclubs and the casino. The Labor Party recognises, as does the Government, that such a complete ban is impractical in the short term. However, as I have said, in five years its preferred position may well be seen by many people to have been infinitely preferable.

Community standards on smoking are changing. I probably notice it more than non-smokers. I can never remember smoking being permitted in movie theatres. However, it was permitted, in some cases not very long ago, in just about every other public place, including public conveyances.

Hon Greg Smith: Why ban it in movie theatres?

Hon KIM CHANCE: I do not know; it is too long ago.

Hon Greg Smith: It was a fire hazard.

Hon KIM CHANCE: That was certainly the case in Australia. Until at least the 1970s, smoking was permitted in movie theatres in Britain. I cannot understand why that dichotomy was allowed to exist. Until the late 1960s, smoking was allowed on Transperth buses, in shopping centres, meeting rooms, and it was almost encouraged in the chambers of shire councils, where free issue of cigarettes continued until not long ago.

Hon Max Evans: Not long ago smoking was allowed in the rear of this House.

Hon KIM CHANCE: Yes, behind the Chair. I remember my friend Hon Margaret McAleer and I enjoying a smoke behind the Chair in 1992. I forget when that practice ended; it may have been that year. I have smoked in this Chamber, but today that would be unthinkable. Until recently, smoking was allowed in taxis, Totalisator Agency Board agencies and public offices. On every occasion that a ban was introduced - although I do not remember it happening when the then President banned it in this place - it was opposed, and sometimes violently. On some occasions the opposing factions were able to confidently predict that there would be a severe negative response on the part of the public who, once deprived of the right to smoke, would boycott the smoke-free service or venue. There is not a great deal of evidence that those boycotts ever occurred. One recent example recounted to me relates to TAB agencies. Not long ago, TAB agencies were a bastion of smokers. It was seen to be an inherent, if not sacred, right to smoke and punt on horses at the same time. As we all know, smoking and gambling are seen to be synonymous. One of the State's best-known and undoubtedly best-loved sportsmen, George Grljusich issued a stern warning that if smoking were banned in TAB agencies it would lead to an immediate and immense loss to the TAB and the racing industry in general. That did not happen. Nor do I believe that losses will occur in the hotel industry if smoking is contained.

The position of the Government differs from that of the Opposition parties. It is the view of the Opposition that the Government's legislation has been significantly weakened in the party room by the influence of the hotel lobby. We have been left with legislation that does very little to safeguard the rights of non-smokers. Non-smokers have a right to not become passive smokers simply by virtue of the fact that they attend a public venue. That is the Opposition's bottom line. That right is there and it is a right which the Opposition believes should be protected.

As one of the few smokers here, I can say confidently that it is not only non-smokers who are sometimes offended by smoking. While it is certainly true that passive smoking is unlikely to have a great deal of effect on me or any other smoker, unless it was a long-term and continual exposure to passive smoke, it can even be offensive to a smoker if someone chooses to light up a cigarette in an enclosed space such as in a motor vehicle when the windows are up, or when one is eating, which I find particularly offensive. Smoking stinks and is unhealthy and is sometimes extremely unpleasant regardless if the person is a smoker or a non-smoker. Non-smokers may notice it more, but it still stinks.

Earlier I mentioned the factor of long-term or continual exposure to passive smoke. For non-smokers, occasional exposure to passive smoke, provided they are not susceptible to a medical condition such as asthma, is not likely to cause a great deal of long-term harm. However, the evidence is that the likelihood of ill-health caused by passive smoke is much greater for those who are continually exposed to the presence of passive smoke, for example during their entire working hours, than for those who only occasionally encounter passive smoke by walking through a shopping centre for example which may still permit smoking. It was this factor that led the then Minister for Labour Relations, Mr Kierath, to propose what appeared to be rigorous antismoking regulations in the workplace to protect the health of employees. It appears that the effect of those regulations - regulations which have already been once deferred - is now not nearly as stringent as we first thought. The effect of the regulations, if they are implemented, is still unclear and I have been unable to come to terms with them. It seems that while in most circumstances they may prevent employees or employers smoking in a publicly accessible enclosed space, there is very little, if anything, that the regulations can do to prevent the patrons of that establishment from smoking. It would seem to pose a difficulty for employers who must find an employee who is able to work in an area which is subject to passive smoke. This is an issue which has arisen already in the casino, which I understand has introduced a requirement in its internal human relations policy for pregnant employees to work in non-smoking areas only. That is presumably a policy that it has adopted as a result of its legal advice on its duty of care to those particular workers. It is a recognition by one employer that there is something in the Kierath regulations. However, I am a little unsure whether the Kierath regulations actually achieve what they set out to achieve. There seems to be a requirement for us to do something about this legislation before we come back in the autumn session next year. If we do not do something about this legislation, the Kierath regulations apparently cannot be deferred again; they will take effect, and I understand that creates a difficulty. For that reason, and only for that reason, the Opposition has been negotiating as earnestly as it can with the Government to try

to achieve some kind of outcome. However, that requires a policy decision which I am not empowered to make.

The difference between the Government's Bill and our amendments is that the Bill provides very little protection for those employees who the then Minister for Labour Relations was so concerned about that he introduced what ultimately became quite controversial regulations. The Bill provides very little protection for employees in hotels, clubs and the casino; it provides only marginally greater choice for non-smokers, or even for smokers, who choose to enter a venue in which they would prefer to have clean air. Our amendments would provide both that protection and an increase in the element of choice.

From the point of view of a smoker, I would have preferred that the Bill and the draft regulations went further than they or the amendments provide for. I have never had any difficulty whatever in leaving a restaurant or a meeting to go outside to have a smoke, even when this is not required by law or by the policy of management. What I have a problem with, however, is having to stand in the rain while I am doing that. Smokers are people too, and it seems little to ask for a place to be provided for them to have a smoke which has some light, some shelter, is kept clean, and has a few ashtrays so that smokers can contribute to keeping it clean. That does not seem much to ask. Non-smokers have every right to clean air. However, smokers also surely have a right to easy and convenient access to a clean and dry place in which they can sit down and have a puff without annoying anyone or making anyone else sick. As venues have voluntarily adopted no-smoking policies, the allowance that they have made for smokers has been erratic - that is probably as near to it as one can get. Some - only a very few - have gone out of their way to provide a place for smokers. However, they are in a definite minority. The Ansett Australia frequent flyers' lounge at the Perth Airport must be one of the few airport locations in which a smoker is able to walk through a door into a pleasant garden area to have a smoke without leaving the airport precinct.

Hon Greg Smith interjected.

Hon KIM CHANCE: I was going to say that even though the area has no protection from rain, it is a thoughtful provision, it hurts no-one, and it is a provision which personally guarantees my unswerving loyalty to Ansett. For that reason alone, I would not even think of using another airline. That is the kind of encouragement that business proprietors need to think about as non-smoking venues spread. They will spread, whether or not these amendments moved by the Opposition or the Bill are supported. The legislation will have sway in becoming law, but it will make no difference in the long run. The community will gradually push us into a legal position of increased provision of smoke-free areas.

Hon Greg Smith: Will it not be fairer for the businesses to offer the opportunity to smoke, as occurs with Ansett's Golden Wings lounge? Why should businesses not be allowed to offer a place in which to smoke - that is, a place where people who do not like environmental smoke do not go?

Hon KIM CHANCE: Why do we need to regulate to do that?

Hon Greg Smith: You need not.

Hon KIM CHANCE: I think the member's question is: Why regulate; why not leave it to the market? However, the market has been behind the law on this matter. It is not to say that the interests of the market and law are entirely separate. For example, huge public support has been expressed for a ban on smoking in restaurants. The Government has acknowledged that support, as its regulations are tough on smoking in restaurants; the Opposition applauds that position. The degree of public support indicated by polling among non-smokers for a ban on smoking in restaurants is almost 100 per cent. It is almost matched by the degree of support among smokers for they also do not like smoke around them when they are eating.

Hon Greg Smith: The question is why must it be one or the other.

Hon KIM CHANCE: Let me finish the point, as the member asked the question. Despite the huge public support for a ban on smoking in restaurants, some restaurants have made a commercial decision to allow smoking to continue. Perhaps in four or five years' time those businesses will have changed their ways - but I doubt it.

Sometimes the market must be given a prod by the law, as it will always be a little behind the law. That is the answer. I am not dismissing Hon Greg Smith's comments. A commercial impetus is involved in this matter. There will always be a percentage of smokers among the population - I believe it is around 20 per cent.

Hon Greg Smith: About 25 per cent.

Hon KIM CHANCE: That many? There will always be a proportion of people who choose to smoke, albeit a declining percentage. Businesses which wish to cater for that 25 per cent of the market - a significant slice of the market - will do so successfully or unsuccessfully depending on the provisions made for that section of the market.

Hon Greg Smith: Hotels say it is 45 to 50 per cent of the market.

Hon KIM CHANCE: The Opposition has recognised that and may be able to go further in recognition of that point.

I have mentioned the Ansett frequent flyer lounge at Perth Airport; at the other end of the scale is Sydney Airport, which must be among the worst in the world. People who want a smoke at Sydney Airport before embarking on a four-hour flight in a cramped, uncomfortable and strictly non-smoking aeroplane must go through a convoluted process.

Hon Greg Smith: You like the Ansett lounge, but not the planes!

Hon KIM CHANCE: No, it is a Sydney thing. If a person is about to embark from the Sydney Airport lounge, and decides to have a smoke before the long flight, a trip of several hundred metres must be taken to reach the front door. Some of the trip is on the little automatic walkways. Smokers can then go outside and smoke on the small verandah area outside the main door.

Hon Greg Smith: The smokers are fitter.

Hon KIM CHANCE: They are not because they stand on the automatic walkways but it is still a long trip. Even though technically it is an open air space and smoking is permitted in the area, as it is a busy airport there are so many smokers that the area continually stinks. It is wet, filthy dirty and almost ankle deep in cigarette butts because nobody bothers to sweep them up. It is unpleasant for both smokers and non-smokers. Remember that this is the main entrance to Sydney Airport. Everybody must go through it and also must pass through that area. It is about as good an example of any that I can think of how smoker segregation should not be done. How much simpler would it be to have a room attached to the embarkation lounge, which had separate airconditioning or no airconditioning at all, and simply a roof to keep the rain out, and to make some provision for people to smoke.

I would like to have seen that factor given some attention in the draft regulations, if for no other reason than it would make the regulations much more effective and much easier to enforce. The level of resistance to this Bill and to the amendments is due in large part to the fact that once smoking is banned in an area smokers tend to be treated as irrelevant, despite the fact that they are paying clients in the same way as everyone else is. Historically Western Australia has led the nation in restricting smoking and creating clean air zones. Most of those achievements were begun at least by Labor governments, although I recognise that subsequently this Government has progressed the movement towards healthier living and working environments in respect of tobacco smoke. This legislation had the potential to take the matter of clean air in public places into its next dimension, which is the guarantee of clean air except in specifically exempt areas. This legislation as it stands has failed to take that opportunity.

It is with some regret also that I must say that the Opposition's amendments fall short of that objective. Initially our draft amendments effectively made all public enclosed spaces smoke-free with exemptions provided by regulation. However, those amendments would have been outside the standing orders of the Legislative Council. The Opposition's amendments will achieve some of its objectives but it has had to follow the same basic line as the Government has with the Bill. Essentially that provides for the Governor to make regulations about where smoking can be regulated or prohibited in areas such as may be determined from time to time. It is a mirror image of what the Opposition was trying to do. In doing that its amendments extend the effect of the regulation-making power by providing in the Bill a clear limitation on the number of places in which the regulations may permit smoking. Although it is not the Opposition's preferred position, the capacity of the upper House to change the policy of a Bill by amendment in committee is restricted by Standing Order No 237 and in this case No 237(a) in particular.

The Opposition is also concerned that the Bill contains a requirement that the Executive Director, Public Health approve a prosecution before that prosecution can take place under regulations prescribed in the Act. Members may recall that the abortion reform laws initially had a similar provision which required the approval of the Attorney General before a prosecution could be launched. We opposed that position just as we oppose the requirement for the Executive Director, Public Health in this case to approve a prosecution. The reason for that is that a prosecution for an offence should stand or fall on its merits. I am certain that environmental health officers throughout Western Australia will not turn into safety Nazis overnight. The legal fact of whether a person is or is not smoking in an enclosed area is surely sufficiently objective that it does not require the approval of the executive director of the Health Department, who in any case is highly unlikely to hold any legal qualification that will enable him to remove an element of subjectivity.

The Government has taken the unusual and much appreciated step of providing a set of draft regulations with the Bill. It is appreciated because it has provided a high level of clarity to the debate by indicating the Government's intent in the implementation of the proposed law and its effect. The Opposition obviously seeks a different outcome from that which the Government has set out to achieve.

The shadow Minister for Health, the member for Fremantle, made the point in the other place that the Government has let down young people and that the Bill does not adequately cater for them, particularly if they are patrons of nightclubs. I believe the inadequacy of the proposed laws is best exemplified in the provisions for night clubs. Night clubs are enclosed, tightly packed places in which the ratio of patrons per square metre of floor area is much tighter than we would normally expect in a public place; yet to limit the damage caused by passive smoking by making 50 per cent of the area of a night club smoke free at best would require a superlative effort from the engineers. I have yet to see how that can be done. I am not denying that it might be possible in an engineering sense. However, from my limited knowledge of engineering, it sounds as though it is next to impossible.

Hon Greg Smith interjected.

Hon KIM CHANCE: Yes; I hope it is not based on the chequer-board effect. One person smoking in the far corner in a night club about the size of this place, although our ventilation system is not good, would be detectable by a non-smoker in the diagonally opposite corner and probably by me from about this distance. The extraction systems would have to be extremely good. The casino is probably an example of some of the best extraction systems around, although the casino is a very big building with a very high ceiling. If anyone were to walk into the casino and say he could not tell whether anyone was smoking, it would mean he had lost his olfactory senses altogether. It is very difficult to do. The Government's proposition in respect of smoking control in places such as nightclubs is unviable. It is unacceptable particularly given that the people who attend nightclubs are almost universally young people who we hope have up to even 80 years of life left. Will we continue with the fraud that we can safeguard their health by preventing smoking in 50 per cent of those tightly enclosed areas? I do not believe so. Provisions exist that can adequately cater for smokers who want to go to night clubs, but they should not be able to smoke in a night club in which the majority of people are enjoying themselves. Places should be made available for smokers outside with fresh air, light and ashtrays so people can have a smoke when they want without getting wet or mugged or walking around up to their ankles in cigarette butts. It is not beyond the wit of nightclub proprietors to provide such a facility and not lose their patronage. Many people find it difficult to go nightclubs where smoking is permitted because of medical conditions.

Debate adjourned, pursuant to standing orders.

ADJOURNMENT OF THE HOUSE

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [10.00 pm]: I move -

That the House do now adjourn.

Mrs Ethel May Pennefather - Adjournment Debate

HON GIZ WATSON (North Metropolitan) [10.01 pm]: I do not want to keep members much longer but I wish to bring to the attention of the House the passing of a foundation member of the Pensioners Action Group and share some of her achievements. I speak of Ethel May Pennefather, nee McFarlane, who was born on 21 January 1909 in York Street, North Perth. She died on Monday, 45 days short of her ninetieth birthday. Mrs Pennefather was a true fighter for the underdog. She trained as a nurse at Royal Perth Hospital and after a period in Brisbane decided to become a midwife and moved to Sydney to train. May was often called upon to deliver babies in the slums of inner Sydney. She was shocked and appalled at the conditions and the women's ignorance of contraception. During the depression years and after the Second World War May McFarlane spent her nursing days in what she described as a dumping ground for thousands of destitute and broken men. The deprivation and misery she witnessed stayed with her all her life.

At Lidcombe Hospital in New South Wales May met nurses who were politically active, some as members of the Communist Party. She became increasingly aware of her need to actively assist those living under economic and political oppression. When the Spanish Civil War broke out in 1936, she was one of four volunteers to join the nursing unit established by the Spanish Relief Committee working under horrific circumstances on the front line. Sometimes these nurses worked 36-hour shifts assisting in operations. Often they sheltered patients' bodies from debris falling from the old buildings in which they worked. Her health suffered as a result of the two years she spent in Spain and May returned to Australia in 1939. She then travelled around Australia speaking on behalf of the Spanish Relief Committee and the Movement Against War and Fascism. Interestingly, on her return from Europe May was forbidden to use the word "fascist" when talking about Adolf Hitler in an ABC interview. Her daughter, Kaye, told me that May said that was because the Australian Government was maintaining a friendly attitude towards Nazi Germany. The ABC made a video about these women called *The Red Brigade*.

May McFarlane became Mrs Pennefather when she married in Western Australia but she returned to nursing to support herself and her children when her marriage broke up in 1955. She was a matron in numerous bush hospitals and fought to ensure that Aboriginal patients received the same standard of care as other Australians. May never criticised anyone, she understood the fight of some for survival and would never tolerate anyone being mistreated. May Pennefather was a foundation member of the Pensioners Action Group and continued to address the injustices she saw being dealt to pensioners and the underprivileged. She was invited to return to Spain to celebrate the sixtieth anniversary of the Spanish Civil War but did not attend. According to the death notice in the newspaper, she died peacefully in the Bridgetown Hospital on Monday.

Question put and passed.

House adjourned at 10.04 pm

QUESTIONS ON NOTICE

Answers to questions are as supplied by the relevant Minister's office.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD PURCHASES

427. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Commerce and Trade:

(1) Is the Minister for Commerce and Trade satisfied with the procedures the departments and agencies within his portfolios are following to ensure that Credit Card purchases are only being used for approved purposes?

(2) Do the departments and agencies within the Minister's reconcile all credit card statements against supporting documentation?

(3) Has there been evidence of supporting documentation not being provided during 1996/97 and 1997/98?

(4) If yes, will the Minister provide details of transactions amounts in questions?

Hon N.F. MOORE replied:

(1)-(2) Yes.

(3) No.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD PURCHASES

428. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Resources Development:

(1) Is the Minister for Resources Development satisfied with the procedures the departments and agencies within his portfolios are following to ensure that Credit Card purchases are only being used for approved purposes?

(2) Do the departments and agencies within the Minister's reconcile all credit card statements against supporting documentation?

(3) Has there been evidence of supporting documentation not being provided during 1996/97 and 1997/98?

(4) If yes, will the Minister provide details of transactions amounts in questions?

Hon N.F. MOORE replied:

I am advised:

Department of Resources Development

(1)-(3) Yes.

(4) There were four instances relating to conferences and training courses where no receipt was issued by the supplier. The transaction amounts were: $85.00, $134.66, $35.00, and $325.00. There were four instances where the officer concerned lost the receipt. The transaction amounts were: $4.64, $55.00, $55.40, and $63.00.

Office of Energy

(1)-(2) Yes.

(3) No.

(4) Not applicable.

Western Power

(1) Western Power credit cardholders can only use these cards for travel, accommodation and some business related entertainment expenses of clients as authorised by their appropriate Manager. The appropriate Manager, as a further check, signs the credit card statement of the individual cardholder that the expenditure incurred is appropriate.

(2) All Western Power credit card statements are reconciled by the individual cardholder that expenditure is appropriate. Western Power's centralised Accounts Payable group pays all accounts on behalf of the corporation

and liaises with the credit card Company if discrepancies arise. The cardholder must verify their statements by reconciling individual transactions against the original proof of purchase slips. Once verified, the statement is signed as correct, and the proof of purchase slip attached and then forwarded to the relevant Manager or General Manager for authorisation. Authorised statements, along with attached proof of purchase slips, are returned to the relevant Divisional Resources centre or Branch and retained on file for audit purposes.

(3) Western Power started to use Credit Cards at the end of November 1997. There has been no evidence of supporting documentation not being provided during this time.

(4) Not applicable.

AlintaGas

(1) The Gas Corporation utilises the American Express Credit Card which is expressly restricted to the use of its Executive Management.

(2) Reconciliation and verification is an integral component of the internal controls applied prior to payment.

(3) No such instances of supporting documentation not being provided.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD PURCHASES

430. Hon LJILJANNA RAVLICH to the Minister for Tourism:

(1) Is the Minister satisfied with the procedures the departments and agencies within his portfolios are following to ensure that Credit Card purchases are only being used for approved purposes?

(2) Do the departments and agencies within the Minister's reconcile all credit card statements against supporting documentation?

(3) Has there been evidence of supporting documentation not being provided during 1996/97 and 1997/98?

(4) If yes, will the Minister provide details of transactions amounts in questions?

Hon N.F. MOORE replied:

(1)-(2) Yes.

(3) No.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD PURCHASES

432. Hon LJILJANNA RAVLICH to the Minister for Justice:

(1) Is the Minister satisfied with the procedures the departments and agencies within his portfolios are following to ensure that Credit Card purchases are only being used for approved purposes?

(2) Do the departments and agencies within the Minister's reconcile all credit card statements against supporting documentation?

(3) Has there been evidence of supporting documentation not being provided during 1996/97 and 1997/98?

(4) If yes, will the Minister provide details of transactions amounts in questions?

Hon PETER FOSS replied:

(1) I am satisfied with the procedures. I cannot know on a detailed basis the degree to which they are followed. This is checked by internal and external audit.

(2) Yes.

(3) No known incidences of non-production of supporting documentation have been reported.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD PURCHASES

433. Hon LJILJANNA RAVLICH to the Attorney General representing the Minister for Planning:

(1) Is the Minister for Planning satisfied with the procedures the departments and agencies within his portfolios are following to ensure that Credit Card purchases are only being used for approved purposes?

(2) Do the departments and agencies within the Minister's reconcile all credit card statements against supporting documentation?

(3) Has there been evidence of supporting documentation not being provided during 1996/97 and 1997/98?

(4) If yes, will the Minister provide details of transactions amounts in questions?

Hon PETER FOSS replied:

Ministry for Planning:

(1)-(2) Yes.

(3) No.

(4) Not applicable.

East Perth Redevelopment Authority:

(1)-(2) Yes.

(3) No.

(4) Not applicable.

Subiaco Redevelopment Authority:

(1)-(2) Yes.

(3) No.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD PURCHASES

434. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Local Government:

(1) Is the Minister for Local Government satisfied with the procedures the departments and agencies within his portfolios are following to ensure that Credit Card purchases are only being used for approved purposes?

(2) Do the departments and agencies within the Minister's reconcile all credit card statements against supporting documentation?

(3) Has there been evidence of supporting documentation not being provided during 1996/97 and 1997/98?

(4) If yes, will the Minister provide details of transactions amounts in questions?

Hon MAX EVANS replied:

Department of Local Government:

(1)-(2) Yes.

(3) No.

(4) Not applicable.

Metropolitan Cemeteries Board:

(1)-(2) Yes.

(3) No.

(4) Not applicable.

Fremantle Cemetery Board:

(1) No Corporate Cards issued.

(2)-(4) Not applicable.

Keep Australia Beautiful Council:

(1) No Credit Cards are used by Keep Australia Beautiful Council's Officers.

(2)-(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD PURCHASES

435. Hon LJILJANNA RAVLICH to the Minister for Transport representing the Minister for Family and Children's Services:

(1) Is the Minister for Family and Children' Services satisfied with the procedures the departments and agencies within his portfolios are following to ensure that Credit Card purchases are only being used for approved purposes?

(2) Do the departments and agencies within the Minister's reconcile all credit card statements against supporting documentation?

(3) Has there been evidence of supporting documentation not being provided during 1996/97 and 1997/98?

(4) If yes, will the Minister provide details of transactions amounts in questions?

Hon M.J. CRIDDLE replied:

(1)-(2) Yes.

(3) No.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD MONITORING

437. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Commerce and Trade:

(1) What monitoring is done by the Minister for Commerce and Trade's departments and agencies to identify any inappropriate use of corporate credit cards?

(2) What policies have been implemented to address instances of inappropriate use?

(3) Has there been any inappropriate use of corporate credit cards within the Minister's departments and agencies?

(4) Will the Minister provide details and advise what action was taken in these instances?

Hon N.F. MOORE replied:

Department of Commerce and Trade

(1) The Department of Commerce and Trade has specific policies and procedures which govern the use of corporate credit cards. The Department's internal auditor, Price Waterhouse Coopers, monitors adherence to these procedures as part of regular audit checks. Additionally, within the last 18 months, internal auditors reviewed and validated the Department's current procedures.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Small Business Development Corporation

(1) The Small Business Development Corporation monitors the use of its corporate credit cards on an ongoing basis to ensure that only approved purchases are made in accordance with Treasury Instruction 321 and the Corporation's Supply Management Business Plan and Supply Procedures Manual.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Perth International Centre for Application of Solar Energy

(1) The Perth International Centre for Application of Solar Energy ensures that the principal Accounting Officer monitors all transactions undertaken on credit cards to ensure that all transactions are appropriate and that all costs are accounted for.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Gascoyne Development Commission

(1) Full reconciliation of expenditure against authorisation.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Goldfields Esperance Development Commission

(1) Upon receipt of a corporate card, the holder is given a copy of the Commission's Procedures and required to sign a declaration that ensures that the holder will comply with these Procedures. All receipts are reconciled against statements. The Commission also receives an audit of the corporate card accounts from both the internal and external auditor.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Great Southern Development Commission

(1) The accounts processing staff of the Great Southern Development Commission examine each corporate card transaction and the Commission employs an independent auditor to audit all the transactions effected by the Commission. The auditor reports findings to the Chief Executive Officer and the Board.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Kimberley Development Commission

(1) Monitoring is undertaken by the Kimberley Development Commission in accordance with the provisions of its Accounting Manual.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Mid West Development Commission

(1) Each officer is required to authorise that the goods were received. The corporate card statements are then incurred and certified in the same manner as regular accounts. Every officer issued with a corporate card is required to acknowledge the conditions under which the corporate card is used.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) Yes. One instance of an officer using a corporate card for private purchases.

(4) The officer concerned was formally requested to explain why the goods were purchased using a corporate card and was required to repay the cost of the private purchase. Based on the officer's explanation, a written warning was placed on the officer's personal file.

Peel Development Commission

(1) Internal checking and audits by independent auditor and by State audit.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Pilbara Development Commission

(1) The Pilbara Development Commission requires cardholders to certify that all corporate card expenses were incurred on official business and in accordance with Commission Policies and Guidelines. Corporate card transactions are monitored and reconciled with supporting documentation.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

South West Development Commission

(1) Corporate card purchases are only made with the permission of the Manager, Corporate Services. The Finance and Administration Assistant ensures the statement reconciles to the supporting documents. The actual payment is authorised by the Manager, Corporate Services, and released by the Finance and Administration Officer.

(2) Any instances of inappropriate use will be addressed on an individual basis as they arise. Where necessary, in accordance with the disciplinary provisions contained in the Public Sector Management Act and relevant code of conduct. Proceedings may be instituted against them for misuse of the card either under the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985 or the Criminal Code Compilation Act 1913 or action under all three Acts.

(3) No.

(4) Not applicable.

Wheatbelt Development Commission

(1) The Wheatbelt Development Commission does not have any corporate credit cards.

(2)-(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD MONITORING

438. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Resources Development:

(1) What monitoring is done by the Minister for Resource Development's departments and agencies to identify any inappropriate use of corporate credit cards?

(2) What policies have been implemented to address instances of inappropriate use?

(3) Has there been any inappropriate use of corporate credit cards within the Minister's departments and agencies?

(4) Will the Minister provide details and advise what action was taken in these instances?

Hon N.F. MOORE replied:

I am advised:

Department of Resources Development

(1) All credit card expenditure is reconciled against supporting documentation. Monthly statements are vetted and authorised by either a supervising officer or the Principal Accounting Officer. All credit card payments are subject to both internal and external audit processes.

(2) All credit card use must abide by Departmental Policy guidelines. As part of the process to be given a Corporate Credit Card, officers must sign an agreement which clearly sets out the rules pertaining to its use and which includes the following statement:

> If I intentionally misuse the Corporate Credit Card (i.e. use it otherwise than in accordance with this agreement), I understand that proceedings may be instituted against me under either the Public Sector Management Act 1994, the Financial Administration and Audit Act 1985, the Criminal Code Compilation Act 1913 or by action under all Acts.

(3) No, however there have been three occasions where officers have inadvertently used the corporate credit card for minor personal purchases.

(4) In all cases, the officers concerned identified the inadvertent use and immediately refunded the amount involved. In all cases the Principal Accounting Officer determined that the use was unintentional.

Office of Energy

(1) All corporate credit card transactions are required to be authorised by the officer's branch manager or director and reconciled against supporting documentation.

(2) Officers are required to sign an agreement prior to being issued with a corporate credit card stating that they are aware of the requirements, policies and procedures for its use. The agreement documents the officer's obligations and certifies that they will only use the credit card for authorised official purposes. It also outlines action that may be taken against an officer if they use the credit card for other than authorised official purposes.

(3) No.

(4) Not applicable.

Western Power

(1) Western Power's Internal Audit branch conducts an audit to ensure that credit cards are used within established policies and procedures.

(2) There have been no instances of inappropriate use. Issue of a Western Power Corporate credit card can only be issued on the authority of a General Manager or the Executive Director. Each credit cardholder must sign an agreement form and is bound to use it in accordance with Western Power's Corporate Credit Card policy and procedures guide. The credit cardholder acknowledges that if the card is misused, Western Power will confiscate

the card and legal proceedings will be taken against the cardholder. Credit Card use is subject to Western Power Internal Audit procedures and has been the subject of review.

(3) No.

(4) Not applicable.

AlintaGas

(1) The Gas Corporation utilises the American Express Credit Card but this is expressly restricted to the use of its Executive Management.

(2) The fundamental policy is that American Express Cards be restricted to 'out of pocket' expenses by Executive Management. They are not a substitute for purchasing procedures.

(3) No.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD MONITORING

440. Hon LJILJANNA RAVLICH to the Minister for Tourism:

(1) What monitoring is done by his departments and agencies to identify any inappropriate use of corporate credit cards?

(2) What policies have been implemented to address instances of inappropriate use?

(3) Has there been any inappropriate use of corporate credit cards within the Minister's departments and agencies?

(4) Will the Minister provide details and advise what action was taken in these instances?

Hon N.F. MOORE replied:

WESTERN AUSTRALIAN TOURISM COMMISSION

(1) All payments must be supported by documentary evidence as to what was purchased and why the purchase was made. Accounts are then checked and authorised by a senior officer prior to payment.

(2) Cards are restricted for payment of business related travel expenses. All accounts must be supported by an original invoice and the detail is checked to ensure that it is work-related. Payments are made after authorisation by a senior officer.

(3) No occurrence of inappropriate use of credit cards has been found within the Western Australian Tourism Commission.

(4) Not applicable.

ROTTNEST ISLAND AUTHORITY

(1) Corporate credit cards are issued by the Rottnest Island Authority in accordance with the Treasurer's instructions. All transactions are checked to ensure their validity and that each is consistent with the appropriate use of the card.

(2) The Rottnest Island Authority policy on the use of corporate cards is as determined in Treasurer's Instruction 321.

(3) There has been no inappropriate use of corporate credit cards within the Rottnest Island Authority.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD MONITORING

442. Hon LJILJANNA RAVLICH to the Minister for Justice:

(1) What monitoring is done by his departments and agencies to identify any inappropriate use of corporate credit cards?

(2) What policies have been implemented to address instances of inappropriate use?

(3) Has there been any inappropriate use of corporate credit cards within the Minister's departments and agencies?

(4) Will the Minister provide details and advise what action was taken in these instances?

Hon PETER FOSS replied:

(1) Cost Centre Managers must ensure that:

- the cardholder has reconciled each month with transaction dockets against the corporate credit card statement;
- that the expenditure is authorised; and,
- that all internal transfers have been authorised by an authorised Incurring Officer who is not the cardholder.

Monthly statements of each cardholder's purchases are scrutinised by the Financial Management Directorate of the Ministry of Justice to ensure compliance with credit card purchasing policy.

(2) The Ministry of Justice has a Corporate Credit Card Policy which forms part of the Accounting Manual which specifies:

- authority to issue Corporate Credit Cards;
- expenditure which may be incurred using Corporate Credit Cards;
- spending limits; and,
- authority in clearance of outstanding Corporate Credit Card balances.

(3) No known incidences of inappropriate use of corporate credit cards have been reported.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD MONITORING

443. Hon LJILJANNA RAVLICH to the Attorney General representing the Minister for Planning:

(1) What monitoring is done by the Minister for Planning's departments and agencies to identify any inappropriate use of corporate credit cards?

(2) What policies have been implemented to address instances of inappropriate use?

(3) Has there been any inappropriate use of corporate credit cards within the Minister's departments and agencies?

(4) Will the Minister provide details and advise what action was taken in these instances?

Hon PETER FOSS replied:

Ministry for Planning:

(1) All credit card statements are to be endorsed by the cardholder, viz: "This expenditure was incurred on official government business and has not been subject to a claim on funds from any other source." Cardholders must not certify payments as 'incurring officers' for expenditure on credit cards issued to themselves.

(2) The Ministry for Planning has a policy which says "When the card is issued the officer must acknowledge in writing that misuse of the card will result in charges being brought against the officer under the Public Sector Management Act (which could result in demotion or dismissal) or the Financial Administration and Audit Act by surcharge or by imprisonment under the Criminal Code, or by action under all these Acts."

(3) No.

(4) Not applicable.

East Perth Redevelopment Authority:

(1)
- Statements are reconciled on receipt
- Internal and External audit programs

(2) Only two cards are issued - Chief Executive Officer and purchasing.

(3) No.

(4) Not applicable.

Subiaco Redevelopment Authority:

(1) The incurring officer monitors and checks that credit card usage is in accordance with approved policy.

(2) Any instances of inappropriate use would be brought to the attention of the Chief Executive Officer.

(3) No.

(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD MONITORING

444. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Local Government:

(1) What monitoring is done by the Minister for Local Government's departments and agencies to identify any inappropriate use of corporate credit cards?

(2) What policies have been implemented to address instances of inappropriate use?

(3) Has there been any inappropriate use of corporate credit cards within the Minister's departments and agencies?

(4) Will the Minister provide details and advise what action was taken in these instances?

Hon MAX EVANS replied:

Department of Local Government:

(1) Credit card expenditure is monitored by the Corporate Services section of the Department of Local Government.

(2) Strict instructions exist in respect to approved expenditure.

(3) No.

(4) Not applicable.

Metropolitan Cemeteries Board:

(1) Finance and Business Services Manager audits all documentation received from suppliers.

(2) Metropolitan Cemeteries Board Corporate Credit Card Procedures Manual states that "misuse of the card will result in charges being brought against the officer under any of the following:

Public Sector Management Act 1994
Financial Administration and Audit Act 1985
Criminal Code Compilation Act 1913
or by action under all Acts.

(3) No.

(4) Not applicable.

Fremantle Cemetery Board:

(1) No Corporate Credit Cards issued.

(2)-(4) Not applicable.

Keep Australia Beautiful Council:

(1) No Credit Cards are used by Keep Australia Beautiful Council's Officers.

(2)-(4) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD MONITORING

445. Hon LJILJANNA RAVLICH to the Minister for Transport representing the Minister for Family and Children's Services:

(1) What monitoring is done by the Minister for Family and Children's Services ' departments and agencies to identify any inappropriate use of corporate credit cards?

(2) What policies have been implemented to address instances of inappropriate use?

(3) Has there been any inappropriate use of corporate credit cards within the Minister's departments and agencies?

(4) Will the Minister provide details and advise what action was taken in these instances?

Hon M.J. CRIDDLE replied:

Family and Children's Services

(1) Nature of expenditure is subject to review of monthly credit card supplier statements of transactions prior to payment.

(2) Policies on the appropriate acquisition of goods and services is contained in the department's Best Practice Manual.

(3) No.

(4) Not applicable.

Office of Seniors Interests

(1) Monitoring is done in line with policies set out for the use of corporate Credit Cards in the Office of Seniors Interests Accounting Manual. This being consistent with the Treasurer's Instruction. Also these procedures are further examined by the Office's Accounting staff, Internal Audit and the Office of the Auditor General.

(2) There has been no instances of inappropriate use.

(3) No.

(4) Not applicable.

Women's Policy Development Office

(1) The Women's Policy Development Office purchasing staff reconcile credit card expenditure with the authorised credit cardholder at each monthly invoice.

(2) Policies on the appropriate acquisition of goods and services as contained in the Family and Children's Services Best Practice Manual would be used in such an instance.

(3) No.

(4) Not applicable.

WA Drug Abuse Strategy Office

(1) No Credit Cards.

(2)-(4) Not applicable.

QUESTIONS WITHOUT NOTICE

VACSWIM

720. Hon TOM STEPHENS to the Leader of the House representing the Minister for Education:

(1) Has a recommendation been made on Vacswim to the minister?

(2) What was the recommendation?

(3) When will a decision be made?

(4) When will the decision be announced?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1) Yes.

(2) It has been recommended to the minister that the market be tested for potential outsourcing of the Vacswim program. The recommendation was accepted with advertisements calling for requests for proposals being placed in *The West Australian* on 5 September 1998.

(3) A preferred proponent has been identified and contract negotiations have been commenced.

(4) Once contract negotiations are completed, a decision will be announced.

REGIONAL FOREST AGREEMENT, TIMETABLE FOR SIGNING

721. Hon TOM STEPHENS to the minister representing the Minister for the Environment:

(1) Has the Environmental Protection Authority report changed the timetable for the signing of the Regional Forest Agreement?

(2) What is the timetable?

Hon MAX EVANS replied:

(1)-(2) The Regional Forest Agreement will be signed as soon as possible.

BOOZE BUS LOCATIONS, ADVERTISING

722. Hon N.D. GRIFFITHS to the Attorney General representing the Minister for Police:

In relation to the decision to reveal the location of booze buses, the Assistant Commissioner of Police was reported in *The West Australian* yesterday as saying that this idea first came from the media outlets while the minister claimed in the House that the Western Australian Police Service was first approached by Marketforce Advertising.

(1) Who made the initial approach to the WA police to broadcast the locations of the booze buses?

(2) When was this approach made?

(3) Who ultimately made the decision to reveal these locations to Channel Nine?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

(1) The Western Australia Police Service was approached by Marketforce, acting as intermediary between Channel Nine, 96 FM and the Police Service, with a proposal to broadcast the location of booze buses.

(2) A meeting was held between Marketforce and the Western Australia Police Service on 31 August 1998.

(3) Assistant Commissioner Mel Hay of traffic and operations support in consultation with the Road Safety Council.

ENVIRONMENTAL PROTECTION AUTHORITY, EXPERTISE

723. Hon J.A. SCOTT to the minister representing the Minister for the Environment:

In her answer to question without notice 698 of 8 December, the minister said she would be meeting with the federal Minister for Forestry and Conservation Wilson Tuckey and would be apprising him of the current status of the Environmental Protection Authority in regard to its ability to carry out its role and the level of its expertise in forest management issues. Will the minister now apprise the Legislative Council of this same matter by answering whether the EPA -

(a) has sufficient resources to carry out its role;

(b) has the expertise necessary to properly report on the Department of Conservation and Land Management's compliance with the forest management plan?

Hon MAX EVANS replied:

The Environmental Protection Authority is sufficiently resourced to carry out its role and has the expertise necessary to appropriately report on CALM's compliance with the forest management plan. I reiterate however that the ministerial conditions on compliance require that the matters in dispute between the EPA and a proponent are to be determined by the Minister for the Environment. This is the process currently being undertaken.

PAROLE, ELIGIBILITY

724. Hon HELEN HODGSON to the Attorney General:

When a prisoner is sentenced to a term of imprisonment that is subject to a parole eligibility order and at first instance the Parole Board denies the prisoner's parole, I ask -

(1) Is the prisoner able to request a review of the decision of the Parole Board?

(2) Are there any guidelines or rules on when the prisoner's eligibility for parole is to be reconsidered by the Parole Board? If so, will the minister table those guidelines or rules?

(3) Who determines when the prisoner's parole is to be reconsidered?

Hon PETER FOSS replied:

I do not have the answer to that question. Some of it will require information from the Parole Board. Perhaps we can hold that question over and I will try to obtain the answer.

The PRESIDENT: Should the answer turn up before the end of question time, I will ask the Attorney General to give it.

NYOONGAH ABORIGINAL COMMUNITY

725. Hon MURIEL PATTERSON to the Leader of the House representing the Premier:

(1) Will the Leader of the House indicate the number of times the Premier has met with representatives from the Nyoongah Aboriginal community in the past four years?

(2) How much consultation has the Premier or his representatives undertaken in relation to the state native title Bill?

Hon N.F. MOORE replied:

(1) The Premier, in his normal duties, meets with members of the Nyoongah Aboriginal community. However, he has met with representatives of the Commission of Elders three times and representatives of reconciliation groups four times during that period.

(2) Extensive consultation has been undertaken by the Premier and his representatives in respect of the state native title legislation. Copies of draft legislation were made available on 18 August 1998 for public comment during a one-month consultation period. During that period, staff from the ministry were available to make presentations about the proposed Bills and to discuss matters of concern with interest groups.

Meetings were held with the major industry organisations and a range of indigenous bodies. Those included a meeting with Aboriginal and Torres Strait Islander Commission regional councillors from throughout the State, two meetings with representatives from the Indigenous Working Group, and a meeting with the Yamatji Land and Sea Council. The Premier also had two meetings with representatives of the Kimberley Land Council and the Indigenous Working Group, and one of those meetings included a representative from the Yamatji Land and Sea Council.

GOODS AND SERVICES TAX

726. Hon TOM HELM to the Minister for Finance:

Will the minister assure the House that voluntary organisations such as the volunteer fire brigade will not have their fundraising activities, which are for the purpose of obtaining funds to purchase equipment for their job, subject to goods and services tax?

The PRESIDENT: Order! The Minister for Finance may answer the question, but it seems to me that it is a matter for the Commonwealth Government. However, I call the Minister for Finance.

Hon MAX EVANS replied:

I thank the member for some notice of this question.

The Commonwealth Government introduced its draft GST legislation into the Federal Parliament last week. The draft legislation clarifies that non-commercial activities of charitable organisations will be GST-free. I understand that, based on their treatment for the purposes of other commonwealth taxes, volunteer State Emergency Service and other voluntary organisations such as bushfire brigades are likely to qualify as charities for GST purposes. The GST-free or "non-commercial" activities of charities include sales of donated second-hand goods and other goods or services sold for less than 50 per cent of their tax-inclusive market value. Accordingly, most fundraising activities of charitable organisations should be GST-free. Only the commercial activities of charities will be subject to the GST, to avoid unfair competition with businesses.

ORACLE FINANCIALS SYSTEM

727. Hon E.R.J. DERMER to the minister representing the Minister for Health:

How much government money was spent on implementing the Oracle Financials version 10.7 system for Princess Margaret Hospital for Children and King Edward Memorial Hospital?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

The Oracle Financials version 10.7 has not yet been implemented at Princess Margaret Hospital for Children and King Edward Memorial Hospital.

MIRIUWUNG-GAJERRONG DECISION

728. Hon GIZ WATSON to the Leader of the House representing the Premier:

(1) What is the estimated cost to the taxpayers of Western Australia of the appeal to be lodged in the Federal Court, but which is likely eventually to go to the High Court, against the Federal Court's ruling in the Miriuwung-Gajerrong decision?

(2) Has the Government set a maximum expenditure limit on challenges to Federal Court native title decisions which recognise the rights of Aboriginal Australians?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1) A detailed estimate has not been prepared at this stage. It is expected, however, that the cost could be between $1m and $2m.

Several members interjected.

Hon N.F. MOORE: Most of Australia would be pleased if we appealed the case and at least got some certainty.

Hon Ljiljanna Ravlich: Who created the uncertainty?

Hon N.F. MOORE: Good grief. Perhaps we can save that for next week's debate.

(2) That is not the usual practice when complex appeals are under consideration. The issues involved are fundamental to the operation of our land and resource title system.

MIRIUWUNG-GAJERRONG DECISION, CROWN SOLICITOR'S LETTER

729. Hon GREG SMITH to the Leader of the House representing the Premier:

It has been stated by the Leader of the Opposition that a letter from the Crown Solicitor's Office regarding the recent Miriuwung-Gajerrong decision should be made available to the Opposition. Was this letter specific legal advice to the Government from the Crown Solicitor's Office?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. No, it was not; it was a summary of the judgments made by Justice Lee in his recent decision. It does not constitute an opinion as one would normally expect in a legal opinion. Although it is accepted government practice not to make public anything that could be construed to be legal advice, it would appear that in this case, first, the letter is not legal advice, and, second, the letter is already a public document, and it is my understanding that the stakeholders in the native title debate, including the Opposition, already have a copy of the letter.

The Opposition has already been fully briefed - on Monday, 30 November - by officials from the Ministry of the Premier and Cabinet, the Crown Solicitor's Office and the Attorney General, on the contents of the letter - the summary of Justice Lee's decision. As such, I am prepared to table the letter.

[See paper No 579.]

SURE SALE, COMPLAINTS

730. Hon CHERYL DAVENPORT to the minister representing the Minister for Fair Trading:

Thirteen months ago the minister acknowledged that his ministry had 21 separate complaints about Sure Sale but that the Government was not going to rush in and make premature decisions.

(1) Given that the ministry has now been investigating the matter for well over two years, is the minister still concerned primarily about being premature or does he agree that the victims of these scams deserve a resolution of their complaint?

(2) In particular, has any disciplinary action been taken against the perpetrators of the scheme or have any of the victims been granted access to the fidelity funds?

Hon MAX EVANS replied:

(1)-(2) I am advised -

The Crown Solicitor's Office is responsible for determining whether any matters relating to the Ministry of Fair Trading's investigation of Sure Sale will be prosecuted. The ministry is currently awaiting advice from the Crown

Solicitor's Office. The Real Estate and Business Agents Supervisory Board has considered all applications made against the fidelity guarantee fund in respect of Sure Sale. The board has declined the claims as they do not satisfy the requirements of the Real Estate and Business Agents Act 1978, under which compensation can be paid from the fund. The fund can compensate only those people who lose money resulting from defalcation by a licensed real estate agent in the course of a real estate transaction. The Real Estate and Business Agents Supervisory Board found that Sure Sale contracts were not real estate contracts. The claimants had separate contracts or authorities with real estate agents. Furthermore, Sure Sale Systems (Australia) Pty Ltd was not licensed as a real estate agency.

COLLIE COURTHOUSE

731. Hon J.A. COWDELL to the Minister for Justice:

(1) Is the Minister aware of the public concern at the delays being experienced at the Collie courthouse as a result of the courthouse taking over local licensing functions?

(2) Will the minister provide additional staff to improve the level of service for the people of Collie?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

(1) The licensing was taken over at the suggestion of the community in a bid to prevent the closure of the court as the Auditor General's report indicated should happen. Court sitting times at Collie have not been affected by the transfer of licensing functions. Following the transfer of these functions, there were some initial delays at the registry as staff learnt the new procedures and practices related to the Department of Transport work. More recently, there has been a decline in the number of transactions undertaken at the courthouse. In addition, Australia Post at Collie commenced taking renewals of vehicle and non-photographic motor drivers' licences on 23 November 1998.

(2) Staff levels are regularly monitored and are considered adequate at Collie by comparison to other court locations, which carry out similar volumes of work. It would defeat the intent of adding licensing functions to the court if further resources were required.

DEPARTMENT OF CONSERVATION AND LAND MANAGEMENT, CONSOLIDATED REVENUE FUNDS

732. Hon CHRISTINE SHARP to the minister representing the Minister for the Environment:

(1) What percentage of the Department of Conservation and Land Management's total operating revenue is provided by appropriation from the state Treasury's consolidated revenue?

(2) After deducting any revenue received from other sources - for example, from recoupable costs - and after allowing all costs related to forest management, including those incurred outside of CALM such as executive, advisory and ministerial, what profit do Western Australians make from selling their forests?

(3) Many Western Australians regard their forests as an asset. Does the minister consider logging and selling our forests to be the sale of an asset?

(4) If it is a sale of assets, why would such a sale be considered as revenue and allowed for as profit, and is this not contrary to the accepted accounting standards?

The PRESIDENT: The third part of the question seeks an opinion of the Minister for the Environment, which is out of order.

Hon MAX EVANS replied:

As it is not possible to provide the information in the time available, I request that the member place the question on notice.

SOUTHERN ROAD LINK

733. Hon KIM CHANCE to the Minister for Transport:

(1) When is the construction of the southern road link scheduled to commence?

(2) Has the option of constructing the road through the degraded former Alcoa minesite been ruled out? If so, why?

(3) What other alternatives to constructing the road along the existing Jarrahdale Road alignment are being considered?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

(1) 2001-02.

(2) No.

(3) The public consultation phase for identifying alternative alignment options is underway. I would be happy to arrange for the member to be briefed on this proposal should he wish.

TEACHER AIDES, PREPRIMARY AND YEAR 1

734. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Education:

I refer to the allocation of teacher aides to preprimary and/or year 1 classes.

(1) What reduction in teacher aide time has already occurred in or will apply to the following schools in 1999: Hope Valley Primary School, Spearwood Alternative Primary School, Orange Grove Primary School, and Wattle Grove Primary School?

(2) What is the reason for this reduction?

(3) What impact does the minister consider this will have on children during these vital years of their education?

(4) What other schools will experience a reduction in teacher aide time in preprimary and/or year 1 classes?

Hon N.F. MOORE replied:

(1) Hope Valley Primary School - education assistant allocation decreases from 0.9 to 0.5.

Spearwood Alternative Primary School - education assistant allocation decreases from 0.9 to 0.5.

Orange Grove Primary School - education assistant allocation decreases from 0.9 to 0.5.

Wattle Grove Primary School - education assistant allocation increases from 0.5 to 0.9.

(2) The rural integration program classification for schools not in designated rural areas has been reviewed and their education assistant allocation has been brought into line with other metropolitan P/1 classes. In previous years, there were very few P/1 classes in the metropolitan area and the existing ones at Hope Valley Primary School, Orange Grove Primary School, Spearwood Alternative School and Wattle Grove Primary School were staffed as RIPs. However, over the past few years there has been a vast increase in the number of P/1 classes in the metropolitan area and many metropolitan schools are choosing this class organisation for the early years. RIPs are resource intensive because of the education assistant allocation, and because of the increased number of P/1 classes the Education Department had to be more precise in the application of the criteria for schools to be considered RIPs. The criteria are -

rural location - typically where there are insufficient students to warrant the formation of separate early childhood programs - P/1 classes in large country centres are not staffed as RIPs; and

a minimum of three year levels from pre-primary students upwards.

The four named schools do not meet these criteria.

(3) These schools have the same education assistant allocation as all other P/1 classes in the metropolitan areas. They are adequately resourced in order to allow them to deliver an effective educational program and ensure duty of care for all students.

(4) No other schools in the metropolitan area had RIP status and therefore no other schools have been affected in the same manner as the four schools cited. Generally speaking, the amount of education assistant time provided to early childhood classes is dependent upon enrolments. Those with decreasing enrolments will have less assistant time whilst those with additional enrolments will be provided with an increased allocation.

BUNBURY HOSPITAL, MATERNITY BEDS

735. Hon BOB THOMAS to the minister representing Minister for Health:

I refer to the decision to reduce the number of maternity beds in the new public hospital in Bunbury from 15 to 10 beds.

(1) Who carried out the detailed needs assessment which showed that as Bunbury's population grew, there would be less demand for maternity beds?

(2) When was this detailed needs assessment carried out?

(3) Who were the key stakeholders and user groups who made this downward adjustment in the number of maternity beds?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1) A report prepared by the Dockerill health project, completed on 11 December 1995, estimated the need for 15 obstetric beds for the South West Health Campus. "The Future Role Delineation, Bunbury Health Service and St John of God" dated 2 February 1996, was undertaken by the principal nursing directors at Bunbury Regional Hospital and St John of God Hospital. This delineation defined the level and type of obstetrics services to be provided at the South West Health Campus' private and public facilities. This document then formed the memorandum of understanding in the combined facilities agreement in March 1996. During 1996, all gynaecological patients were relocated in the surgical ward in the Bunbury Regional Hospital. At that time, only maternity cases had been admitted to the obstetrics unit.

Bed averages for the following period are as follows: 1996-97, seven maternity beds per day and seven gynaecological beds per day; 1997-98, seven beds per day - this includes all patients admitted to the obstetrics unit; 1998-99, year to date, eight beds per day, and this activity includes all patients admitted to the obstetrics unit.

(2) As above.

(3) Specialist obstetricians, general practitioners, midwives and associated specialist project manager.

JERVOISE BAY PROJECT, FINANCIAL OUTLAY

736. Hon J.A. SCOTT to the Leader of the House representing the Minister for Commerce and Trade:

(1) What is the estimated financial outlay, excluding funding from government sources, necessary to bring the Jervoise Bay project to its full capacity?

(2) What grants, tax breaks, rebates, interest-free loans or subsidies have been sought or given to proponents or potential tenants of the Jervoise Bay project?

(3) How many years will it take before the project is expected to operate without subsidies?

(4) How long will it take to recoup all government financing of the project?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1) As soon as the environmental clearance is granted to the project, expressions of interest will be sought for a facilities manager. It would be inappropriate to provide an estimate of the financial investment required of a facilities manager prior to the evaluation of the expressions of interest.

(2)-(3) No grants, tax breaks, rebates, interest-free loans or other subsidies are being sought or have been given to proponents or potential tenants of the Jervoise Bay project.

(4) The Government is committed to ensuring that Western Australian industry can be competitive in the international marketplace. The provision of infrastructure to facilitate this is repaid through improvements in the WA economy, which contributes to the wellbeing and lifestyle of all Western Australians.

CHEMISTRY CENTRE, REVIEW

737. Hon TOM HELM to the Minister for Mines:

I refer to the independent review of the Chemistry Centre (WA) established by the Director General of the Department of Minerals and Energy. I ask -

(1) Has this review been completed?

(2) If yes, what is the outcome of the review and will the minister table the review?

(3) If no to (1), when will the review be completed?

(4) Does the minister have any plans to privatise or close down the operations of the Chemistry Centre?

Hon N.F. MOORE replied:

(1)-(4) The Director General of the Department of Minerals and Energy is conducting a review into the Chemistry Centre. As members may be aware, the Chemistry Centre is very much involved in seeking work in the private sector. Currently, about 80 to 90 per cent of its revenue comes from the sale of its services to the public sector. However, it is still operating at a loss. Because of that fact, the director general has instigated an inquiry into the centre to ascertain whether its services are still required by those people to whom it has traditionally provided them. When that report has been completed, the Government will consider what recommendations it should make. Until I receive that report, I do not propose to make any comments, other than to say that a report is being prepared to assess the need for the Chemistry Centre to remain in its existing form. As members know, it provides some very specialised services to many government agencies. They may need to be kept; on the other hand, it could be doing work that the private sector could do.

Hon Tom Helm: Did the minister say work is coming from the private sector?

Hon N.F. MOORE: No. The centre does work for the private sector and for other government agencies. I think most of its work is for other government agencies. The services it provides account for about 80 per cent of the cost of running the organisation. However, that amounts to a significant number of dollars. Therefore, it is appropriate that the director general should investigate it. When I have seen the report, I will make a decision.

MANDURAH COMMUNITY HEALTH SERVICES

738. Hon J.A. COWDELL to the minister representing the Minister for Health:

In relation to the Community Health Services in Mandurah, I ask -

(1) Has a decision been made on the future location of this service?

(2) If yes, where is this location?

(3) When will the health service move to the new location?

(4) If no to (1), when is a decision to be made?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1) No.

(2)-(3) Not applicable.

(4) Within 12 months.

LEGAL AID COMMISSION, RESOURCES

739. Hon TOM STEPHENS to the Minister for Justice:

The Legal Aid Commission of Western Australia, in its recently tabled annual report, identified the need to understand the financial impact on legal aid caused as a result of legislative changes. I ask -

(1) Has the Government undertaken an analysis as to what impact, if any, proposed changes to sentencing law would have on the resources of the Legal Aid Commission?

(2) If yes, will the Attorney General table this analysis?

(3) If no analysis has been done, will he explain to the House why not?

Hon PETER FOSS replied:

(1)-(3) No, the Government has not made an analysis of the effect on the Legal Aid Commission. I would defy anybody to do so, because, firstly, the legislation has not been passed, and, if it is passed, I am not sure what form it will take; secondly, the legislation will not have an impact until a matrix is introduced. Of course, at that stage the degree to which it will have an impact may very well be dependent upon what is in the matrix.

To give some idea, the matrix in the United States has reduced the amount of legal aid required. This was due to the previous uncertainty in knowing the penalty to apply in disputations. The United States' experience was that once the matrix was in place, and a fair amount of certainty arose regarding the penalties to be imposed, people became more ready to plead guilty than was previously the case.

I have been advised by criminal lawyers that sometimes the decision about whether to plead guilty depends upon finding out before whom one is likely to appear; that is more at the magistrate's level, rather than the District Court level. I hope that we will see a similar change in plea bargaining in Western Australia as that experienced in the US. As such matters are very much dependent on the reaction of an individual, rather than a straight calculation, the review proposed would be a hypothetical and illusory exercise. It could be done, but one would be kidding oneself in saying it would have any meaning.

SULPHUR LEVELS, MINOR PIT No 2

740. Hon GIZ WATSON to the minister representing the Minister for the Environment:

(1) Is the minister aware that the level of sulphur in the ground water recorded at minor pit No 2, which is directly adjacent to the Omex contaminated pit, reached levels of 280 000 micrograms a litre, which is 2 800 times higher than the Dutch B guidelines level for the assessment of contaminated sites?

(2) If yes, will the minister issue a pollution abatement notice to the property owner of lot 136?

(3) If no to (2), why not?

(4) Is the minister aware that the level of sulphur recorded at minor pit No 3 located directly adjacent to the contaminated Omex pit, reached levels of 470 000 mcg/l, which is 4 700 times higher than the Dutch B criteria used for the assessment of contaminated sites?

(5) If yes to (4), will the minister issue a pollution abatement notice to the property owner of lot 130?

(6) If no to (5), why not?

The PRESIDENT: Order! The first line of the question should ask whether the Minister for the Environment is aware. It will then flow that the Minister for the Environment is the minister referred to in every other part of the question. The Minister for Finance is answering the question, and being asked to issue pollution abatement orders which are outside his portfolio area. That might seem to be pedantic. However, when the question is recorded in *Hansard*, people will not have a clue which minister is doing what. If in due course a dispute arises, we might hold the wrong minister responsible.

Hon MAX EVANS replied:

Thank you for your help, Mr President, and I thank the member for the question. Providing the information in the time required is not possible, and I request that the member place it on notice in the right format.

The PRESIDENT: That is the second time that has occurred. Maybe I will make no more such comments!