



Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
THIRD SESSION
1999

LEGISLATIVE ASSEMBLY

Wednesday, 17 November 1999

Legislative Assembly

Wednesday, 17 November 1999

THE SPEAKER (Mr Strickland) took the Chair at 12 noon, and read prayers.

SCARBOROUGH SENIOR HIGH SCHOOL

Petition

Ms MacTiernan presented the following petition bearing 1 300 signatures -

To the Honourable the speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We the undersigned call upon the Minister for Education to honour commitments given in October 1998 regarding Scarborough High School, being:

- . The retention, of the hall/gymnasium, and swimming pool for use by the community;
- . The availability of public open space and parking;
- . The reservation of the site for community use.

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

[See petition No 64.]

PROFIT FROM EXPERIENCE PROGRAM

Statement by Minister for Employment and Training

MR KIERATH (Riverton - Minister for Employment and Training) [12.04 pm]: I rise to make a brief ministerial statement about a new \$3m state government initiative which will address the growing rate of long-term unemployment among people aged 45 years and over.

The Profit from Experience program, which I launched recently, will help more than 4 000 people over the next 12 months. Australia-wide, the number of unemployed people between 45 years and 54 years of age increased by 156 per cent from August 1997 to August 1998. This alarming trend is a product of various factors, such as the offering of early retirement packages, downsizing of organisations and a persistent attitude in our society of discriminating unfairly against older people.

Profit from Experience provides a strategy for the medium-term unemployed over 45 years who are not receiving intensive federal government assistance. The initiative comprises five key elements with a team of Profit from Experience employment access officers at its core. These officers are in the mature age bracket and will provide early intervention counselling and assessment, and will help direct their clients into a variety of components, depending on situation and need. Participants can have access to Career Restart information packages, attend workshops to help them explore new work options and employment and training strategies, and receive a grant of up to \$1 000 for training to gain specific skills.

In the International Year of Older Persons, this employment program for people 45 years and over is a positive step forward. Among the Organisation for Economic Cooperation and Development countries, Australia has one of the lowest work force participation rates for people over 55 years. In fact, other OECD countries with rapidly ageing populations are working to reverse their early retirement schemes. These countries have recognised the potential for a serious skills shortage by 2010, as the large population of baby boomers exits the work force.

Profit from Experience will expand the scope of the existing and future initiatives of the Department of Training and Employment for mature job seekers and will be evaluated on an ongoing basis.

BUSINESS OF THE HOUSE

Standing and Sessional Orders Suspension

MR BARNETT (Cottesloe - Leader of the House) [12.07 pm]: I move -

That so much of the standing and sessional orders be suspended as is necessary -

- (a) to enable private members business to have priority on -
 - (i) Wednesday, 16 November 1999 from 4.00 pm until 8.00 pm with a meal break from 6.00 pm to 7.00 pm; and
 - (ii) Wednesday, 24 November 1999 from 4.30 pm to 6.00 pm; and
- (b) to enable Bills to be introduced without notice and to proceed through all stages in one day and to enable messages from the Legislative Council to be taken into consideration on the day on which they are received.

Obviously this motion relates to the fact that we will be sitting this evening and allows normal private members' business to be conducted, with a one-hour interruption for an evening meal break. Next week, the scheduled final week of the sitting,

the Government is proposing that private members' business be reduced to one and a half hours, from 4.30 pm to 6.00 pm. It has been the practice of this Government to continue to have private members' business through to the final sitting week. As I note every year, and will probably note in future years, under the previous Government, private members business was suspended totally for the last two or three weeks of the calendar year. This is a fair arrangement and one that I am sure will be respected in future years.

Although we intend to sit on Wednesday night of this week and next week, I hope neither will be a late night. The intention is to adjourn at about 10 o'clock on both Tuesday and Wednesday evenings. Depending on the progress of legislation in the Legislative Council, if there are amendments to important items of legislation, it is envisaged that the Legislative Assembly might be recalled for a brief period. That would most likely occur on the morning on Tuesday, 21 December, but members will be advised of that in due course.

MR GRAHAM (Pilbara) [12.09 am]: It comes as something of a surprise to me that this motion has arisen in a sitting week immediately after we cancelled a week's sitting. It is extraordinary that the very competent - I speak tongue-in-cheek - Leader of the House seeks to do this having cancelled a week's sitting not due to lack of private members' or opposition business, but due to lack of government business.

Mr Kierath: There is another House sitting.

Mr GRAHAM: There is. I have spent more than a decade here with members opposite telling me that the other House is the master of its own destiny. Was that not when members opposite had the numbers in the upper House?

Mr Kierath interjected.

Mr GRAHAM: If the member for Riverton is going to shift the order of business from this House to the Legislative Council he should do something about it. However, at present we will be masters of our destiny and the Legislative Council will be the master of its destiny. We have put up with members opposite dominating the upper House for 105 years. They should cop it sweet; it will go on for a long time.

It is of some great surprise to me that the week after we cancelled a week's sitting of this Parliament due to lack of government business, we are restricting private members' business and extending the sitting hours.

Mr Barnett: When I cancelled last week's sitting I made it clear we would sit for two weeks and on Tuesday and Wednesday evenings.

Mr GRAHAM: If Basil Fawltz had done that with a restaurant menu in a *Fawlty Towers* skit we would be rolling around the floor laughing our heads off.

For its entire time in government, this Government has been promising that it will deal with emergency services legislation. The cyclone season began in the north west of this State two weeks ago and the Government has yet to introduce emergency services legislation. It could have usefully used this House to introduce that legislation last week, but we did not sit because there was no government business!

Last year in the north west of the State the procedures to deal with the cyclone season were in absolute chaos. The provisions in the new Local Government Act covering preparation for the cyclone season failed.

Mr Court: That is not true.

Mr GRAHAM: It is demonstrably true.

Mr Court: That demeans the people who did a damned good job last year in very difficult circumstances.

Mr GRAHAM: No; when I have said that, the Government has tried incorrectly and improperly to accuse me of having a go at the people who did excellent work as a result of Cyclone Vance. I am not having a go at them. The Premier knows I am not and, more important, they know I am not. I am referring to how we prepare for cyclones and the laws that relate to those circumstances. They have failed.

Mr Court: The preparation by those people was quite outstanding.

Mr GRAHAM: I will give the Premier a piece of gratuitous advice. He should not make a fool of himself because his minister acknowledged that those laws failed. The Government gave an undertaking that it would change those laws because they have demonstrably failed in both practical application and in the courts. The Government has not brought that legislation into this Parliament. The issue is relatively simple. If the minister will not do it; I will do it for him. I have introduced legislation before, but the Government's amendments rendered it neutral. However, I cannot do that if the sitting hours of Parliament are restricted. The Government has not given any priority whatsoever to the legislation for emergency services, nor to the amendments to the Local Government Act that are necessary; yet it cancelled a week's sitting because there was no legislation to deal with!

Mr McNee: Your mob will not pass our legislation in the Legislative Council.

Mr GRAHAM: I will say to the member for Moore the same thing I said to the member for Riverton. In the history of this State we have not had the numbers in the upper House. The Government is now also using that argument, but we had to govern in the same circumstances and so can members opposite.

I only wanted to give a short speech and to make three points. The first is that I am amazed at the stupidity of cancelling

a weeks' sitting only to extend the sitting hours the following week. The second point is the lack of government action and the Government's inability to bring forward its business to keep the House dutifully occupied. The third point is the Government's unwillingness to accept that cyclones are a fact of life for some of us in the north west. As everyone acknowledges, the legislative framework in place in this State is inadequate. The only obstacle to emergency services legislation coming into this Parliament is the Government of Western Australia. It can do it; it should do it; and it had better do it.

MR KOBELKE (Nollamara) [12.16 pm]: The Opposition will not support the motion. We are happy to cooperate with the Government, as we did yesterday when we helped matters to proceed as expeditiously as possible on the Real Estate Legislation (Fidelity Guarantee Funds) Amendment Bill. We are happy to accept an extension to sitting hours on Wednesday nights. However, we do not see any need to reduce private members' time.

Mr Barnett: Why, in the past, did the Labor Government consistently cancel private members' business three or four weeks prior to the end of the session?

Mr KOBELKE: I will come to that shortly. However, we will not agree that a reduction in private members' time is necessary when that was reduced a week ago by virtue of the Parliament's not sitting. The week's break deprived the Opposition of the normal avenue by which it could raise issues and bring forward some legislation in areas in which the Government is finding it impossible to legislate.

In response to the minister's interjection that Labor Governments reduced private members' time at the end of the session, that occurred at the end of the parliamentary session, which was also the end of the year. I accept that has changed, and for better or worse, the parliamentary session begins in August and runs through until June. At this stage, we are not at the end of a parliamentary session. We will simply break for the Christmas period and, with one or two exceptions, the Government has not indicated that any legislation is sufficiently urgent to require that the time be curtailed. The Government does not have a legislative program of any substance. It is fishing around for Bills to keep the Parliament sitting.

A key part of this motion is the withdrawal from the Opposition of part of its time in which it can raise important issues and potentially proceed with legislation covering areas that the Government is finding too difficult. The Government has not argued that without the extra one and a half hours of private members' time urgent Bills will not be passed.

The Government has a major problem passing legislation through the Parliament. However, passing it through this Chamber is not a problem. If it cannot manage the other place, that is the Government's problem. It appears that the Government's major problem is introducing legislation. As the member for Pilbara rightly pointed out, emergency services legislation has been promised for some time, but we are yet to see it in the Parliament. In addition, the Government has been saying for years that it will do something about prostitution legislation, but again it cannot do it. Yesterday an announcement was made that one little part of the issue will be dealt with. The Opposition also has been working on that part of it and will introduce a Bill this evening. If we had that extra time we could possibly do something about stopping street prostitution and getting rid of a major problem in the suburbs near the centre of the city of Perth. However, the Government has sat on its hands. Apparently it is a bit embarrassed that the Opposition might be able to come forward with legislation that will address the issue, stop the kerb crawling and get the street prostitution out of Northbridge and the suburbs just north of the City of Perth. This Government cannot deal with the issue.

Another matter I thought would be brought on was the Department of Conservation and Land Management restructuring Bill. Will we see that in the Parliament in the next two weeks?

Mr Court: Yes, we will.

Mr KOBELKE: Therefore, at the last minute that Bill will be rushed through the Parliament.

Mr Court: No, we are not saying it will be rushed through the Parliament; it will be brought into the Parliament.

Mr KOBELKE: The Government has not even given notice of it. The normal procedure is that it would be second read and we would have three weeks to consider it. The Government is telling us that we have today and four other sitting days left. It is curtailing the time available to the Opposition, and in that time it hopes to bring in this legislation and rush it through so that there is no opportunity for us -

Mr Court: I did not say we would rush it through. You know damn well what is happening in the other place.

Mr KOBELKE: I am asking the Premier whether it is the intention of the Government to have the CALM restructuring Bill through the Assembly before we rise for Christmas.

Mr Court: If it comes into this place next week, it cannot be done.

Mr KOBELKE: It can, because this motion now before the House gives the Government the power to do that.

Mr Court: If the Legislative Council gets through half of the legislation which is waiting to be dealt with before Christmas, we will be very pleased.

Mr KOBELKE: The problem with Hon Norman Moore and the mismanagement in the other Chamber is something with which the Government has not been able to deal. That is another problem that the Government cannot handle. In this Chamber where the Government has the numbers, is it the Government's intention to push the CALM restructuring legislation through in the next five days?

Mr Court: No. I said it will come into this Parliament.

Mr KOBELKE: Into this Chamber or the other Chamber?

Mr Court: We will not push it through because it will not go anywhere in the other place.

Mr KOBELKE: Therefore, it will come into this Chamber, but it is not the Government's intention to use this standing order to put it through in a short time.

Mr Court: You will have time to properly assess it.

Mr KOBELKE: I thank the Leader of the House for that undertaking, which was indicated by the way he nodded. It seems that the Premier was not able to give a simple answer to a simple question.

There is no need for this suspension of standing and sessional orders. The Opposition has been most cooperative in working with the Government to expedite the passage of its legislation through this Chamber. The Opposition will continue to do that. It is happy to sit for extended hours if that helps the Government. However, we see no reason that there should be a curtailment of private members' time, particularly when a sitting week was cancelled because the Government did not have any business. On that basis, the Opposition will not support this suspension of standing and sessional orders.

MS MacTIERNAN (Armadale) [12.22 pm]: I support my two colleagues. I ask the Government a simple question in this context: Given the backlog of Bills that the Government has been unable to move through the upper House, why does it not introduce some of that legislation into this place? A number of Bills before the upper House that are relatively non-controversial could be introduced into this place. They could have been dealt with last week and the process would then be moving. I note that in 1994 it was done on several occasions, when major pieces of legislation were brought into the House other than the House in which the minister in charge of the relevant portfolio was in residence. It is interesting that the Government has abandoned that approach. I note that a whole raft of Bills in the Transport portfolio is sitting in the other place waiting for introduction. Perhaps the Government could explain why it is not rationalising the processes and why it is not introducing some of that legislation into this House in the first instance if it is truly concerned, as it claims, about the backlog. I suspect that the Government does not want to proceed with a lot of this legislation.

Mr Court: I think you should be made to sit over there for a few days.

Ms MacTiernan interjected.

The SPEAKER: Order! The member for Armadale has had her say, and she has had three interjections this morning.

Question put and a division taken with the following result -

Ayes (27)

| | | | |
|--------------------|--------------|-------------|------------------------------|
| Mr Ainsworth | Mr Court | Mr Marshall | Mr Shave |
| Mr Baker | Mr Cowan | Mr Masters | Mr Trenorden |
| Mr Barnett | Mrs Edwardes | Mr McNee | Dr Turnbull |
| Mr Barron-Sullivan | Mrs Holmes | Mr Minson | Mrs van de Klashorst |
| Mr Bloffwitch | Mr House | Mrs Parker | Mr Wiese |
| Mr Board | Mr Kierath | Mr Pendal | Mr Osborne (<i>Teller</i>) |
| Dr Constable | Mr MacLean | Mr Prince | |

Noes (16)

| | | | |
|--------------|----------------|--------------|------------------------------|
| Ms Anwyl | Dr Gallop | Mr McGinty | Mrs Roberts |
| Mr Brown | Mr Graham | Ms McHale | Mr Thomas |
| Mr Carpenter | Mr Grill | Mr Riebeling | Ms Warnock |
| Dr Edwards | Mr Marlborough | Mr Ripper | Mr McGowan (<i>Teller</i>) |

Pairs

| | |
|-------------------|---------------|
| Mrs Hodson-Thomas | Mr Cunningham |
| Dr Hames | Mr Kobelke |
| Mr Omodei | Ms MacTiernan |

Question thus passed.

The SPEAKER: Before we proceed with notices of motion, I address my remarks to the gentleman in my gallery. I indicate to him that if he comes into my gallery, I expect him to read the signs that indicate that people should not bring mobile phones into this place. If they do, they should turn them off.

LIQUOR LICENSING AMENDMENT BILL 1998

Restoration to Notice Paper - Motion

On motion by Mr Kobelke, resolved -

That as requested by the Legislative Council in Message No 19 this House resume consideration of the Liquor Licensing Amendment Bill 1998 at the stage it had reached in the previous session, and that the Council be acquainted accordingly.

NATIVE TITLE (STATE PROVISIONS) BILL 1999*Introduction and First Reading*

Bill introduced, on motion by Mr Court (Premier), and read a first time.

Second Reading

MR COURT (Nedlands - Premier) [12.30 pm]: I move -

That the Bill be now read a second time.

The Native Title (State Provisions) Bill 1999 establishes a State Native Title Commission to deal with future acts involving native title in this State. It establishes a state-based regime for unallocated crown land and Aboriginal reserves and there is a new process for consultation for infrastructure titles and developments within towns and cities.

Most importantly, it removes the failed right-to-negotiate regime on coexisting leasehold lands and replaces it with a fair, constructive and workable consultation regime. Without this critical feature, the administration of native title in this State will continue to be unfair and unworkable because of the failings in Labor's "right to negotiate" procedures on pastoral lease lands - remembering we were given assurances by the then Labor Government that native title had been extinguished on pastoral lease land.

Unlike the previous state provisions legislation, the commission will not deal with registration and mediation claims. Since consideration of the earlier Bill, most claims in Western Australia have been subjected to the registration test.

There is nothing complex about this legislation. Because of its more narrow focus, there can be no more empty rhetoric from members opposite about compliance. We all know that parts of the Bill will require a determination by the commonwealth minister before the Bill can be functional and that the minister's determination will also have to be laid before both Houses of the Commonwealth Parliament. Without prejudging the commonwealth Attorney General's decision, I am confident that when a determination is sought, he will be satisfied in relation to compliance and that a determination will be made. Responsibility for what then happens will rest squarely on the Opposition's shoulders, and theirs alone. There can be no hiding behind the Australian Democrats or the minor parties in the Senate. To the credit of the Democrats and their leader Meg Lees, they are honest about their position on consultation regimes and they are prepared to listen. In contrast, Kim Beazley either is not interested in what is happening in this State or has given up trying to talk sense into his left-wing colleagues on native title.

If members of the Australian Labor Party do not support this Bill, or if they otherwise fail to convince their counterparts in Canberra to support this legislation, they will be accountable for the damage caused to this State, not because of native title, but because of their refusal to accept that Labor's legislation was fundamentally flawed.

Turning now to the Bill: The Bill largely relies on the definitions used in the Native Title Act to ensure consistency. Provisions regarding the proclamation of the Bill are restricted by the need to have certain sections approved by the commonwealth minister. As a result, commencement of parts 2 and 3 and division 4 of part 5 cannot occur until determinations under the Native Title Act come into force.

Part 2 of the Bill provides consultation procedures for "alternative provision areas" in accordance with section 43A of the Native Title Act. The provisions deal with future acts which relate to an area of land or waters that is an "alternative provision area"; that is, non-exclusive land tenure such as pastoral leases and some crown reserves. Areas subject of a grant for the use and benefit of Aboriginal persons where native title has not been extinguished are excluded from the operation of this part under clause 2.1.

Part 2 acts can be validly done only where there is no valid objection lodged to the act; there are no registered native title bodies corporate or claimants; all objections are withdrawn or dismissed; an agreement is made and lodged with the commission; a recommendation made by the commission to allow the act to be done is not overruled or a recommendation by the commission that the act is not to be done is overruled by a state minister. A provision allows acts that would ordinarily fall under part 2 to be dealt with under part 3 on request from the applicant. This provision is intended to allow applications which transverse both part 2 and part 3 areas to be dealt with under part 3 to avoid the need for multiple processes for a single title.

Before the act can be done, there must be notification to registered bodies corporate, registered native title claimants and any representative bodies in accordance with the Native Title Act. The notices must nominate a closing day for objections that must be at least three months after the notice is given and there are requirements in the Bill as to the content of the notice.

Notice is to be given by the government party in the case of certain compulsory acquisitions and either the government party or persons prescribed by regulation in other cases. Regulations can be made about the giving of notice.

Any registered body corporate or native title claimant may object to the act on the grounds that the doing of the act would affect the person's registered native title rights and interests in relation to the land or waters to which the act relates. The commission has discretion to extend the closing date for objections in cases where there are exceptional circumstances. If a registered native title body corporate or a registered claimant does not make the objection, or the rights and interests claimed to be affected are not registered rights and interests of the objector, the Native Title Commission has the power to dismiss the objection.

The Bill defines the consultation parties as being the objector/s and the proponent in the case of mining or the objector and the government party in the case of compulsory acquisitions. The consultation parties are required to consult about minimising the impact of the act on registered native title rights and interest, including about access to the land and waters or the way in which anything authorised by the act may be done.

The provisions allow for the commission to mediate if requested to do so by any of the parties. They provide the commission with a power to request the parties to meet together if either of the parties is not making sufficient attempts to consult. There are provisions to ensure that applications to do an act can be withdrawn and the parties will be notified. The objector may also withdraw an objection and any agreements may be lodged with the commission.

If after four months the objection/s are not withdrawn and no agreement resolving the issues on which the objection is based has been lodged, the commission may give notice that it intends to hear and determine the objection. The commission must attempt to make a determination within four months of the notice and the period may be extended at the minister's discretion. Consultation between the parties may continue while the commission is hearing the matter.

The commission is able to make a recommendation that the act may be done, may be done subject to conditions or may not be done. The commission must not determine that the objector is entitled to payments by reference to profits, income or things produced. The minister may overrule the commission's recommendation in the interests of the State after consultation with the Minister for Aboriginal Affairs and taking into account any recommendation or advice from that minister. The Minister for Aboriginal Affairs must be provided with all non-confidential information received by the responsible minister or the commission in relation to the recommendation.

There are provisions that provide for judicial review by the Supreme Court of recommendations by the commission and determinations by the minister.

Part 3 of the Bill deals with provisions for future acts in areas other than alternative provision areas; that is land which has always been unallocated crown land and Aboriginal land excluded from part 2.

The provisions allow for part 3 acts to be validly done only where no valid objection is lodged to the act; there are no registered native title bodies corporate or claimants; all objections are withdrawn or dismissed; an agreement is made and accepted by the commission; a determination made by the commission to allow the act to be done is not overruled or a determination by the commission that the act is not to be done is overruled by a state minister.

There must be notification of the act to the public and by written notice to registered bodies corporate, registered native title claimants and any representative bodies. The notices must nominate a closing date for objections that must be at least three months after the notice is given. The notice may relate to two or more acts.

Any registered body corporate or registered native title claimant in relation to the land to which the act relates may object. The objection must state the manner in which the act would affect the registered native title rights and interests.

The commission has the discretion to extend the closing date for objections in exceptional circumstances. The commission has the power to dismiss an objection if it is not made by a registered native title body corporate or a registered claimant or the rights and interests claimed to be affected are not registered rights and interests of the objector.

The negotiation parties are the objector/s and the proponent in the case of mining or the objector and the government party in the case of compulsory acquisitions. Any party may request that the Government be requested to be involved in relation to mining future acts.

The negotiation parties are required to negotiate in good faith with a view to the objections being withdrawn or obtaining the agreement of the objectors to the doing of the act, which may be subject to conditions.

The provisions allow for the commission to mediate if requested to do so by any of the parties and to cause the parties to meet if insufficient progress is being made toward reaching an agreement.

The objector may withdraw the objection and a copy of any agreement made may be given to the commission. The commission will accept the agreement if the appropriate parties have executed it properly and no party has established that the agreement was not entered into freely and voluntarily.

When any objection/s is not withdrawn within four months of the closing date or if no agreement has been lodged, the commission may give notice that it intends to hear and determine the objection. The commission must attempt to make a determination within six months of the notice and the period may be extended at the minister's discretion. The commission may determine that the act may be done, may be done subject to conditions or must not be done. The commission must not determine that the objector is entitled to a payment worked out by reference to income, profit or things produced. The criteria to be taken into consideration in making a determination are listed in clause 3.45 of the Bill and reflect section 39 of the Native Title Act.

The minister is able to make a determination when the commission is not likely to do so within a reasonable time frame, if it is in the state interest to do so, and after consultation with the commonwealth minister. Any such determination must be laid before both Houses of State Parliament. The minister may also overrule a determination of the commission within two months of the decision if it is in the interests of the State to do so.

Part 4 of the Bill implements a regime for the operation of section 24MD(6B) of the Native Title Act. The provisions apply to certain permissible lease, etc, renewals, third party compulsory acquisitions wholly within a town or city, the inter-tidal zone or for infrastructure purposes and the creation or variation of a right to mine for infrastructure associated with mining.

Acts can be validly done under part 4 when no objection to the act is lodged, all objections are withdrawn or dismissed, an agreement is made, a recommendation made by the commission to allow the act to be done is not overruled or a recommendation by the commission that the act is not to be done is overruled by a state minister.

Notification must be given to registered bodies corporate, registered native title claimants and representative bodies. The closing date for objections must be at least two months after the notification is given. Registered native title bodies corporate and registered native title claimants may object to the act on the grounds that it will affect their registered native title rights and interests in relation to the area subject to the act. The commission may dismiss an objection if it is not made by a registered native title body corporate or a registered claimant or the rights and interests claimed to be affected are not registered rights and interests of the objector.

The consultation parties are defined as being the objector and either the proponent, in the case of mining titles, or the government party, in the case of compulsory acquisitions. The consultation is to be about minimising the impact of the act on registered native title rights and interests, including about access to the land or waters with the aim of having the objection withdrawn. The objector may withdraw the objection and any agreement resolving the objection may be lodged with the commission. The commission may hear and determine objections if the matter has not been resolved four months after the closing date. The commission may hear the objection earlier if a consultation party requests it. The commission must determine the objection within four months of being asked to do so and may recommend that the act be done, the act be done subject to conditions, or the act must not be done.

The minister is able to overrule a recommendation of the commission if it is in the interest of the State and after first consulting with the Minister for Aboriginal Affairs and taking into account any advice given by that minister.

Part 5 provides for the commission to determine, on application, compensation in relation to future acts other than compulsory acquisitions that are already covered under the Land Administration Act.

A procedure for claiming compensation is established for native title holders in relation to part 2, part 3 or part 4 acts when there has been a determination of native title by the Federal Court. The commission is able to determine compensation and the determination is to be in accordance with provisions that reflect sections 49 and 51 of the Native Title Act. There are also provisions in relation to the recovery of compensation, the holding of compensation in trust, the payment of compensation from the trust, non-monetary compensation and the jurisdiction of the commission in dealing with trust moneys.

Part 6 establishes a Native Title Commission to exercise functions under the Native Title (State Provisions) Bill 1998 and to have delegated powers from the National Native Title Tribunal registrar in relation to the registration of indigenous land use agreements. The commission is obliged to perform its functions fairly, justly and expeditiously and to ensure that its procedures are informal and accessible.

The commission will consist of a full-time chief commissioner and a number of other commissioners who may be employed on a full or part-time basis. In compliance with the Native Title Act, a member of the commission must have been enrolled for at least five years as a legal practitioner of the Supreme Court of Western Australia or another State or Territory, or the High Court, or have special knowledge in relation to Aboriginal people. The Bill also allows the appointment of members who have knowledge in relation to land and resource management or dispute resolution. There must also be one member of the NNTT on the commission.

The commission has the ability to hold hearings. There are provisions in relation to matters such as offences, confidentiality, conflict of interest and use of interpreters that generally conform with those provisions in the Native Title Act.

The chief commissioner will have the power to engage staff to assist the commission in the performance of its functions. The commission will be an independent body and will not be subject to ministerial direction. It will not be a public sector body subject to the Public Sector Management Act.

Part 7 allows for the making of regulations, review of the Act after five years and contains consequential amendments to the Land Administration Act, Mining Act, Petroleum Act and Petroleum Pipelines Act as well as various ancillary acts. Part 7 also contains provisions for transitional procedures to be applied to the large backlog of mining title applications that has built up under the commonwealth NTA processes. These provisions will enable regulations to be made to ensure the orderly processing of the backlog.

Before concluding, I re-emphasise that this Bill reflects a compromise on a compromise. We would much prefer that the Bill introduced today had resulted from less complex legislation than the Native Title Act. Because of the dynamics of the Senate, the inadequacies and embryonic nature of the law surrounding native title, and particularly because of ALP intransigence, the Native Title Act has many flaws. However, we have accepted the additional compromises that the Native Title Act and this Bill represent. We have done this because we are determined to get this State through the issue of native title and back to doing what we do best - creating wealth for this country and jobs for our children. We must get on with the job of giving the Aboriginal community a chance to participate as equals. The Labor Party's approach to native title has failed miserably in this regard. It has done little for Aborigines.

Under Labor's plan, we have had one determination of native title in this State in five years and it is apparent that finding has not produced one more job and has not produced any improvement in health or education. What we do know is that the community concerned is now sadly divided by internal friction in part because of arguments over native title. We know that it cannot agree on a prescribed body corporate some 12 months after the determination, and I now understand a new native title claim has been made over parts of the determination area.

Under Labor's plan, over 1 000 geologists are out of work in one of the world's greatest mining provinces and explorers based in Kalgoorlie are doing more business in Africa than in the goldfields. Our industry is moving offshore. That alone tells me that the right to negotiate has failed. Under Labor's plan, some 160 native title claims covering around 85 per cent of Western Australia and around 12 000 mining or land future acts are affected by native title processes. There are overlapping claims throughout the State. Combined claims are starting to fall apart. Predictions we made that some 90 per cent of the State would be subject to claim were described as alarmist, but we have been proved correct and the Labor Party has been shown to be wrong. It is an impossible situation for which the ALP must accept responsibility. The Labor Party has had its chance with native title and it has failed.

The legislation that I am introducing today delivers a fair, constructive and workable system for dealing with native title. It stands in stark contrast with the Labor plan that is neither fair, nor constructive, nor workable. It is time to give our approach a go. I commend the Bill to the House.

Debate adjourned, on motion by Mr McGowan.

FINANCIAL ADMINISTRATION AND AUDIT AMENDMENT BILL 1999

Consideration in Detail

Resumed from 16 November. Debate was adjourned after clause 4 had been agreed to.

Clause 5: Section 33 amended -

Mr RIPPER: Clauses 5 and 6 enable the Government to make payments electronically. In my remarks in the second reading debate I drew attention to the need for privacy legislation in the state public sector to provide the confidence necessary for people to accept sophisticated information technology arrangements. I do not disagree with clauses 5 and 6 as set out, but is this considered by the Government to be a first step towards the introduction of other arrangements to support electronic commerce? Does the Government have a program in mind to promote electronic commerce?

Mr COURT: Already a lot of work has been done on e-commerce. A number of government transactions are now carried out in that way, and more of the tendering, contracting and purchasing arrangements are conducted through e-commerce. Two issues are involved in the Government going online with financial transactions. First, there are confidentiality issues and, second, the security of financial transactions, both within government and within the public, with banks accessing credit cards to pay government accounts. The Government believes it has developed an online system for commercial transactions whereby security and privacy are protected. It is one of the major issues, as more and more of the Government's business goes online.

Mr RIPPER: Is there a discussion paper or some document which sets out the Government's plans in this area? If so, will the Treasurer make it available?

Mr COURT: Yes. As far as online strategies are concerned, I am prepared to arrange a briefing for members of the Opposition. This strategy is progressing quickly. The Government believes it is to the forefront in bringing these transactions online, and I will arrange that briefing for opposition members.

Clause put and passed.

Clause 6: Section 58 amended -

Mr RIPPER: This clause provides for the manner in which matters can be certified or authenticated for the purposes of this legislation, including certification or authentication by electronic means. What sort of controls will be exercised in order to prevent misuse of electronic payments or fraud? It is a matter of some difficulty to determine precisely the identity of the person sitting at the computer terminal when the payment is made. What management measures will be implemented to deal with that issue?

Mr COURT: For a start, individual agencies must have Treasury approval before moving to e-commerce transactions. After the briefing, the member will have an understanding of how the Government believes it can cover the security of those financial transactions. It may be easier to provide the briefing. It is probably the most vexed question in e-commerce. We hear much about Internet companies, such as Amazon, which are building up huge mailing lists, initially under the guise of selling books. Once a company has a large client base which is prepared to do financial transactions online, it becomes a good selling tool for many other goods and services. The reason that the Amazons of this world are growing rapidly but making losses, is that their main asset is the client base they are building up. The question of how secure it is for a bank to access a person's account and transfer funds electronically will be an important issue. Banks must convince their clients that they have security and that other people cannot access their accounts. In the case of government, where large sums of money are involved, an electronic system has been designed which involves decoding. I am not a technical person, and it is best to provide the presentation to the Opposition. Members will then appreciate how much work the Government has done in this area and how it can be implemented.

Mr Ripper: Who is handling that within government?

Mr COURT: Hendy Cowan's Department of Commerce and Trade, and Mike Board's Department of Contract and Management Services are involved in developing it. Both agencies will be involved in the presentation, and we are preparing Treasurer's Instructions for its implementation.

Clause put and passed.

Clause 7: Section 58D inserted -

Mr RIPPER: This relates to the proposal to implement a capital user charge for Western Australian public sector agencies. We discussed in earlier debates the possible level of this charge. We have not yet had advice from the Government on the precise charge that will be applied in the first year of operation. I assume that if this legislation is passed, the capital user charge will apply in the next financial year. What will be the size of that capital user charge?

Mr COURT: I mentioned yesterday, but the member may not have been in the Chamber, that the initial proposal by Treasury is for an 8 per cent charge. However, that is still being considered by the budget standing committee. When that determination has been made, I will have no difficulty telling members what it is.

Mr Ripper: At the moment it is 8 per cent?

Mr COURT: That is the recommendation, but nothing has been agreed.

Mr RIPPER: What are the implications of a smaller or larger charge? Presumably Treasury has considered a charge of 4 per cent or even one higher than 8 per cent. What factors will bear on whether the choice should be made for 6 per cent, 8 per cent or 9 per cent?

Mr Court: The rate will be reasonably close to a market rate.

Mr RIPPER: Can we expect, therefore, that the capital user charge will vary from year to year and that if interest rates go up, the capital user charge will go up?

Mr Court: Not necessarily directly, but there is discretion in the legislation for the rate to change.

Mr RIPPER: Presumably if there were a significant increase in interest rates, it would not be logical for the Government, given its own arguments, to keep the capital user charge stable?

Mr Court: We do not envisage that we will make changes often, but if there were a major change in interest rates, we would obviously make a change. We believe the changes will be irregular.

Mr RIPPER: Would the Treasurer expect to keep it stable for a certain number of financial years?

Mr Court: Yes.

Mr KOBELKE: I seek clarification of how the levy will be applied. Will the levy be set at a standard rate across all agencies or types of asset, or will the levy be set at different rates for different agencies or types of asset?

Mr COURT: It will be levied on total assets less total liabilities to achieve a net asset position. There will be limited exemptions - for example, some of the heritage assets - and it will be a standard rate across government.

Mr RIPPER: I understand from the Treasurer's answer that there will be no special provision for schools or school ovals, nor for hospitals, and that all of those assets will be considered on an equal basis. I understand also from the Treasurer's answer that there will be no special consideration for rural or regional assets and they will all be counted in the same way.

Mr Court: That is right.

Mr RIPPER: We on this side of the House are very concerned, as we said in the second reading debate, that a bias may be built into this system against rural and regional Western Australia.

Mr Court: In what way?

Mr RIPPER: On a strictly commercial basis, it is uneconomic to provide services to many remote and rural locations. However, it is our obligation as a community to provide those services, and it may even be argued that it is in the long-term interests of the State's economy to ensure that the regions are developed. Nevertheless, if we take a short-term accounting approach, it may be regarded by some people as being uneconomic to service a small town and more economic to centralise services and dispose of the assets in a small town.

Mr COURT: The argument works in reverse, because land values and the like tend to be a lot less in country areas. If the member is trying to say that funding will be cut in country areas, the Government has no intention of doing that. This will be purely reporting. It will not be where the funding will go.

Mr KOBELKE: Is the definition of "net assets" in the Bill the same as that used in other legislation, and particularly by Treasury, or is it just one definition of what is meant by "net assets"? I appreciate that there are often a number of alternative methods of valuing assets. The definition of "net assets" in this Bill may involve a much more complex process of determining the method of valuing the asset and then calculating the net asset, and we may need to differentiate between "net assets" as defined in new section 58D of the Financial Administration and Audit Amendment Bill and a totally different definition of "net assets". Is there any potential for confusion about the definition of "net assets"?

Mr COURT: There will be no confusion. The definition varies slightly from the one that is used in Victoria, for example, but it is already calculated automatically in complying with government accounting standard 29 for government departments and the general accounting standard for statutory authorities.

Mr RIPPER: I thought I heard the Treasurer say that the capital user charge relates only to reporting. My understanding is that it will be a real charge that is levied on agencies -

Mr Court: Yes.

Mr RIPPER: - and it will have an impact on the way they conduct their operations, otherwise there will be no point in having it.

Mr Court: I should have said accounting rather than reporting. Obviously agencies will be provided with the moneys to compensate for the capital user charge, and from then on they can make decisions about how much capital they require in their operations.

Mr RIPPER: Perhaps we could go into exactly how this charge will work from the point of view of agencies and the financial incentives that will be applied to particular sorts of behaviour. My understanding is that the capital user charge will be applied on the basis of the net assets of the agency, for which the agency will receive an appropriation. If the agency then reduces its use of capital, the capital user charge will be less, but it will still have the appropriation.

Mr Court: It can keep the difference.

Mr RIPPER: So in a sense it will make a profit. Does this work only across one financial year or does the Government intend to maintain the capital user charge appropriation at a stable level over a number of financial years so that agencies can recoup those profits over more than one year? Under previous appropriation arrangements, we had the problem of end of financial year spending as agencies sought to spend their budget allocations before they lost them. I foresee a situation in which we may have beginning of financial year asset disposals so that agencies can benefit from a lower capital user charge over most of the financial year before Treasury steps in and says it will cut that agency's appropriation for the following financial year. I imagine that not many assets will be sold on 29 June but quite a number of assets will be sold on 2 July. Can the Treasurer comment on how these arrangements will work and what signals will be sent to agencies?

Mr COURT: As I mentioned, agencies can keep the difference between what they spend and what they have been funded for, and that funding will stay in place permanently, so if they continue to operate at that level, they can continue to keep the difference. If they can use fewer assets, it is an incentive for them.

Mr RIPPER: It is difficult to make the statement that the level of funding or the level of appropriation for the capital user charge will be permanent. It is all part of a global appropriation received by the agency which is expanded or cut for all sorts of other reasons. In the final analysis it will be very hard to determine whether an agency has been able to retain its capital user charge appropriation. What might happen is that it does in theory, but the global allocation is cut ostensibly for other reasons - perhaps because Treasury is aware that the agency can bear the pain as it has been particularly successful in reducing its use of capital. I can see some lack of confidence from an agency's point of view about the permanent nature of the capital user charge appropriation.

Mr COURT: If the difference is to be used to increase service delivery in high priority areas, that will be a good outcome. Agencies always need to retain the assets which are essential for their service delivery. The point the member is getting at is if agencies cut assets below those required for proper service delivery.

Mr Ripper: That is another issue. What controls would be exercised?

Mr COURT: They would not be able to deliver the services or outputs they need to as an agency.

Ms MacTIERNAN: I wish to raise a concern about this proposal because I have seen the effect it has had on one government agency and that is Australia Post. Australia Post wanted to dispose of the General Post Office to a private shopping operator which wanted to convert the building into a shopping mall similar to the Queen Victoria Markets. Australia Post management's argument was this was necessary because this asset appeared on the agency's books at full market value and it was not providing a normal commercial return to capital. Obviously a number of things needed to be taken into account over and above simple return to capital; things such as heritage value and the historic connection of the building - the fact that it was a gift from the Commonwealth to the people of Western Australia in an attempt to cement the federation in troubled times. A range of historic factors would have been suborned by the pure accounting exercise of this measure. I see potential for the same thing to happen here with schools, for example. In his last contribution the Treasurer said there will be a fetter because an agency cannot dispose of an asset to the extent that that disposal affects the agency's capacity to deliver its required outcome. However, many areas are marginal. Many schools have bits of bushland around them and it might be argued that others have a surfeit of gardens. Members can see the sorts of pressures that schools and the Education Department will be under. These land assets will have a value and they may be seen as not performing. Therefore, pressure will be placed on these agencies to look at the degree to which they should hive off their gardens or bushland or curtail their ovals to, first, reduce the amount of money they must pay through this capital fee and, second, to free up more money to spend on what might be argued is the core business of schools.

As occurred with Australia Post and the GPO, extraordinary pressure will be placed on agency management to dispose of public assets which should remain in public hands. Pressure will be put on agencies, particularly agencies such as schools which have large land holdings, to dispose of their holdings to reduce the amount they pay in this capital fee and maximise the amount of money available -

Mr Court: What was the concern about selling off the GPO?

Ms MacTIERNAN: Management's line was that it did not particularly want to sell the building but it was under pressure because the asset had been placed on its balance sheet and the agency was expected to perform in relation to the total balance sheet. It had to show a particular return on capital. One might argue there is some basis for doing that with government trading enterprises, although I believe there are more important civic considerations in relation to a structure like the GPO,

considerations which should override the mere accounting exercise. However, with schools - which are not trading enterprises and which are hopefully not in competition with any other agency - it seems to be an inappropriate thing to do. We will see pressure placed on the senior management of the Education Department to reduce the department's capital to service debt and free up more money for educational purposes. It will be a backdoor way of doing what the Government is trying to do already; that is, get schools to hive off bits of land to fund the recurrent budget.

Mr COURT: The Education Department does not have a difficulty with managing its assets to ensure it is getting the best use of its lands. I cannot follow the GPO exercise. Australia Post is a fully corporatised body; it does not have a capital user charge but it needs to get a return on its assets.

Ms MacTiernan: Of course, but there is an obligation on it now because this goes onto its balance sheet.

Mr COURT: It is a classic case. The GPO is next door to the Commonwealth Bank and neither agency requires that scale of building in that sort of location. I presume there is some form of heritage cover on the buildings but if those buildings could be somehow redeveloped to put some life back into that part of town, the sooner the better. I would think being a corporatised body would put pressure on Australia Post to indicate that if it is a lazy asset which is not required -

Ms MacTiernan: The point I am making is there are civic objectives.

Mr COURT: What is the civic objective of a heritage building standing empty?

Ms MacTiernan: For a start, it is not empty.

Mr COURT: They are using part of the ground floor.

Ms MacTiernan: There are other ways it can be redeveloped and that was why the decision was changed after a great deal of political pressure. It is important to have the GPO in the centre of town remain in public hands. That is not to say that it cannot be used for a range of other purposes.

Mr COURT: The way Australia Post is going, it will become an organisation completely different from the one that used to deliver the mail. I am told Australia Post is delivering groceries in Victoria.

Mr Graham: It does not deliver the mail in the north west, I can tell you.

Mr COURT: It does, but it does so by bus instead of plane.

Mr Graham: We have gone back 100 years.

Mr COURT: I agree entirely, it is a major step backwards.

Mr RIPPER: With regard to the capital user charge, the Education Department has devolved much of the financial administration to schools and I understand intends to continue doing so. Will the Education Department be responsible for the payment of the capital user charge on a global basis or will schools find that they have to pay the capital user charge and make decisions themselves about the management of their assets?

Mr COURT: Overall, the Education Department will be responsible. It would be a decision for it to make if it wanted to break the charge down to schools but it would have the overall responsibility.

Mr Ripper: You will not rule out schools facing a capital user charge.

Mr COURT: Before the member starts running out and getting excited about it, I have made the comment that the appropriations will be put in place for these charges to be paid. The Deputy Leader of the Opposition cannot use that argument. It is revenue neutral in the budget.

Mr RIPPER: Our responsibility on behalf of the Opposition and the public of Western Australia is to explore exactly how these arrangements might work. How are the arrangements expected to apply to the Department of Conservation and Land Management and the assets of the forests? Will they be subject to a capital user charge and will there therefore be some incentive for CALM to develop or sell off those assets?

Mr COURT: The capital user charge does not apply to conservation reserves or to the value of the land that the forests are on.

Mr Ripper: What assets of CALM will be subject to the capital user charge?

Mr COURT: The value of the trees, plantations, buildings, vehicles and so on.

Mr Kobelke: Not native forest?

Mr COURT: Not on any of the conservation reserves.

Mr Kobelke: Will the area of state forest clearly set aside for logging have a valuation put on it for these purposes?

Mr COURT: I must check that. Where state forest has been set aside for logging, it may be the value of the trees, but I will have to confirm that and get back to the member.

Mr RIPPER: It is fairly clear that this scheme is designed to give agencies an incentive to dispose of assets. I think the Treasurer went so far as to argue in an earlier part of the debate that this might enable agencies to improve their service delivery. An argument seems to be advanced that the Treasurer would fund current services through asset sales, at least at

one removed. The Treasurer may like to confirm his attitude to the use of asset sales to fund current services. In earlier comments he seemed to be implying that this was one advantage of the scheme.

Mr COURT: The member is talking about one side of the process. It is certainly designed to encourage agencies to dispose of surplus assets, but at the same time they can replace them with useful assets. The member has a hang-up about the disposal of assets. The member for Armadale said that we must hang on to the GPO building. If the GPO building is not the sort of building that Australia Post needs for its service delivery, it must get the sort of building that it does need for its service delivery. I do not know whether it is the required building. If an agency has surplus assets which can be disposed of and it has an appropriation for capital user charges at a higher level, it can use those moneys for the better delivery of services. Education is probably a good example where there comes a time when some assets can be disposed of in order to build a new school.

Ms MacTIERNAN: Does the Treasurer accept what we are saying, that there is not necessarily a totally clear demarcation between when an asset is surplus to requirements and when pressure will be put on an agency to dispose of an asset which might have some benefit in public hands? Schools are the classic example. The standard high school has about 2.5 hectares of land around it. No doubt if a percentage of that land were disposed of, the school could still function, but of course that would diminish the size of the public asset, the flexibility for the future and the amount of public open space which schools have traditionally provided for communities around them. Can the Treasurer contemplate the circumstance we are talking about where the Education Department, facing the prospect of this capital user charge, will feel the pressure to prune back on the level of its capital assets? A school could still function at one level as a school with those contracted assets, but there would be costs to the community in doing so. Schools will lose some of their grounds and the community will lose some of its open space. It can be done, but that does not mean to say that it should be done. I want the Treasurer to tell us whether he understands the arguments and the pressure this will place on the administration of schools and the Education Department to scale back and contract the amount of land that surrounds schools.

Mr COURT: I have never heard such nonsense. We are having a debate about the proper management of assets. The member carries on about schools being forced to sell off land or whatever. They come under the Education Department, which runs the policies relating to how much land schools have. We often buy open space for schools and add to the land that schools have if that is seen as required for a school's proper operations. All that we are talking about now is the proper management of assets. The Opposition had in government a body called the Asset Management Taskforce. In Subiaco there was a lot of railway land. The Labor Government said to sell it off. People were picking up bargains, but the Labor Government did not have an overall plan of how it would develop that part of Subiaco. That is why we put in place the Subiaco Redevelopment Authority.

Mr Kobelke: It was a Labor initiative. You followed through on it.

Mr COURT: I can assure the member that the Subiaco Redevelopment Authority was not a Labor initiative. If he bothered to visit Subiaco now, he would find a few buildings stuck in the middle of the development where people bought land at bargain prices without the Opposition putting a plan in place.

Mr Kobelke: You know that we started the process.

Mr COURT: The Labor Government in its budgets used fire-sale assets to fund a few bills. It also created the Asset Management Taskforce. Here we are talking about the proper management of assets. The Opposition is working on the assumption that agencies simply sell assets, but Governments buy a lot of assets as well. This legislation is designed to make the people managing those agencies aware of the fact that if they have lazy assets surplus to their requirements, an incentive is now in place for them to do something about it. More often than not, however, agencies must buy assets to expand their asset base.

Mr KOBELKE: Could the Treasurer give some indication of what effect this will have on the reported amounts in the annual budgets? The figure which has generally been used, and which I think was used by the Treasurer in his speech, is a general value of assets in the order of \$20b. If most of that attracts the levy that must be paid at a rate of 8 per cent, it seems the annual contribution will be in the order of \$1b to \$1.5b. Therefore, the total value that will come back into the consolidated fund will be of the order of \$1b to \$1.5b.

Mr Court: Yes, approximately. That is on both sides of the equation.

Mr KOBELKE: Does that then mean that without any changes to budgetary procedures, the state budget will move from roughly \$7b to \$8b under the new accounting procedure?

Mr Court: Yes, it would.

Mr KOBELKE: Returning to the local level and individual agencies, what happens if a department is required to apply cost recovery with a range of its services, although not necessarily all of them? The Department of Training has a program over three years to substantially increase fees to move to cost recovery. Will that mean that the overall cost according to the budget figures for the provision of those services by the Department of Training will be higher as it will take into account the levy to be paid on net assets? Will that apply through the entire system in determining fees so they are tied to full cost recovery?

Mr COURT: The agencies will not have to raise their fees because they will be given additional revenue. There are two sides to the equation. If they raised fees and did not explain that they had received the additional revenue, in effect they would be profiteering from the accounting changes. Agencies will not have to raise fees because they will be provided with extra money.

Mr KOBELKE: I accept the Treasurer's comments about the intent. I do not suggest that agencies would in any way mislead people and fail to recognise that they will receive from consolidated revenue exactly the amount required as a result of the levy. An established policy applies across many government agencies that they are required to set their fees for full cost recovery, including capital cost. That is the policy of this Government. This will inexorably lead to various agencies taking into account the higher capital cost involved as a result of this levy. Unless one excludes the levy, which would be counter to the accounting approach adopted, eventually TAFE and a range of other areas of government will set their fees based on full cost recovery, including the capital component. If they maintain the full cost-recovery policy and take account of the capital cost in the procedure of accounting, fees will increase.

Mr COURT: I understand that the Joint Standing Committee on Delegated Legislation stated that the cost of capital should not be included when considering full cost recovery. I cannot think of examples, but the cost is already included in some areas - this will not be additional.

Mr KOBELKE: I accept that comment as a policy across the whole of government. The Treasurer must admit that in areas of government activity, such as trading enterprises -

Mr COURT: It is already included; it is not new.

Mr KOBELKE: - with the principle of competitive neutrality for trading enterprises, full capital costs are factored into fees.

Mr COURT: Already.

Mr KOBELKE: However, they currently need not pay the capital levy. A new capital levy will apply.

Mr COURT: Trading enterprises will not be subject to the levy in the future.

Mr KOBELKE: Will they be subject to it initially?

Mr COURT: Not now, or in the future.

Mr KOBELKE: Services are provided in many areas of ordinary government agencies, whether it be the Walpole Treetop Walk in our national park, which is a tourist facility administered by a government agency, or training programs provided by the Department of Training. These are fee for service in competition with private providers, and for which competitive neutrality applies. In keeping with all the policies, one would expect that the full capital cost in providing the service will be factored into the fee. Therefore, the new accounting procedure will lead to higher fees.

Mr COURT: Competitive neutrality requires a capital cost to be considered, which, as I said, is funded. One cannot have it twice. If the Government provides the revenue, the agency cannot receive the additional fees. In the comparison with competitive neutrality, one can compare the total cost structure; however, that component is funded. One cannot then get the money or account for it twice.

Mr RIPPER: A user-pays philosophy applies in some areas of government. We have cost recovery for the provision of certain types of services. Until now, a capital user charge has not applied.

Mr COURT: Where agencies already must comply with competitive neutrality, a notional capital cost is built in.

Mr RIPPER: That is the case when agencies must comply with competitive neutrality. However, many other areas of government do not feel that they must comply with competitive neutrality, yet they embark on a user-pays philosophy. Once a charge applies for capital, the agencies will say that full cost recovery includes the cost of capital; therefore, they will increase the user-pays charges. Does the Government have any information for Parliament on the extent of user-pays charges in government at the moment, and how it is expected to change as a result of this capital user charge? Sure as eggs, user-pays charges will increase once agencies find they must pay a levy to Treasury on their capital. I do not agree with the Treasurer.

Mr KOBELKE: Another aspect relates to an answer given earlier when I sought clarification of the definition of "net assets". I was satisfied with the answer given and that no confusion will arise. It seems that the current dilemma, upon which the Deputy Leader of the Opposition and the Treasurer have different points of view, can be partly a judgment and partly relates to definitions. The concern is that confusion, and even a subverting of the intent, may arise by changing the definitions. Following discussions with the Deputy Leader of the Opposition, does this open the potential for some agencies to use a different definition of net assets? The Treasurer is addressing the matter in a different way. He states that one will not have double dipping as the money will not be taken twice. That will be treated in an accounting manner, and will not be a problem. However, it may evolve so that different definitions apply to the capital involved and, therefore, to the net assets. One may want full cost recovery in one agency, and the capital cost will be fully taken into account in that agency. As it is taken into account in another way in another agency, that cost will not be accounted for. I am not an accountant. My concern is that when two different organisations both provide a service for a charge, and an overriding principle of cost recovery applies, could one take account of the capital assets in different ways?

Mr COURT: I did not answer the previous question. The member for Nollamara made an observation. One must look at each agency's source revenue, and I am prepared to give a split up of the agencies and identify those with full cost recovery. The member mentioned the Tree Top Walk. That is probably a good example. It makes significant money and it has been a good investment. Building in its initial capital cost probably does not make much difference to how we determine the charges. The member has asked whether there is a standard method for determining charges. The answer is no. In an area such as public transport, which involves a huge subsidy, we have some policies regarding concession fares being half the full fare and so on. In those cases we achieve nowhere near cost recovery. There is no standard policy across government. If the member wants an indication from the different agencies of their source revenues, we can try to put that together.

Mr Kobelke: I would appreciate that.

Mr RIPPER: It appears that the only way an agency can reduce its capital user charge is to reduce its use of capital. There is no financial incentive for an agency to replace one set of assets with another set of assets.

Mr Court: Yes there is.

Mr RIPPER: If the capital is at the same level, the capital user charge payable to Treasury will remain the same. The only way an agency can make a profit from the capital user appropriation is if it reduces its use of capital. Consequently, there will be an incentive for agencies to move away from the provision of services in house towards contracting out. If an agency contracts out, its recurrent expenditure might increase, but its use of capital will decrease. This will be a mechanism for further driving the Government's push to contract out as many services as possible. By definition, contracting out uses less government capital than in-house service provision. The Government is moving to bias its appropriation system towards ever more contracting out in the public sector.

Mr COURT: An agency cannot contract out if it does not have the recurrent appropriation to do so. The member's argument misses one side of the debate. We are talking about the concept of paying a capital user charge and, because the Government is fully funding it, it is not an issue. The agency does not have to worry about paying it initially. An incentive is built in if an agency gets rid of surplus assets. However, agencies cannot move to contracting out unless they have an appropriation for the recurrent expenditure. They would then have to present the reason for going down that path. One of the trade-offs would be that if they go down that path the Government would have to look at what it does with the agency's asset base.

Mr RIPPER: I am still a little unsure about the way in which state forests not covered by conservation reserves will be taken into the capital user charge system. If state forests are open to logging and are not nature reserves, how will they be valued and what charge will the Department of Conservation and Land Management have to pay to Treasury?

Mr COURT: The member has hit on the most complicated accounting standard in relation to the forest. It is a technical issue.

Mr Ripper: I await your explanation.

Mr COURT: I have given the member an explanation previously in that we do not cover the conservation reserves or put the land value under the forest. It might be better if we provide a full briefing about the technicalities of how we handle the timber resource. I cannot provide a technical answer now; it is a complicated area.

Mr RIPPER: I will take up the question of contracting out. When we have a combination of government policy that favours contracting out and a charge on the use of government capital, that moves the system away from in-house provision of services via the traditional public sector towards a contracting-out model. The Treasury annual report states with regard to the capital user charge -

The charge will also improve the accuracy of output costs, enabling better comparisons, and place equity versus debt on leasing decisions on a more equal footing.

Agencies make decisions about purchasing an asset and performing a service in house or leasing or contracting out. As a result of the capital user charge, the system will be shifted away from purchasing the asset and performing a service in house towards leasing the asset or contracting out the service.

Mr COURT: When equity is free, we want as much as we can get. This simply makes the CEO realise that there is a cost associated with the extra capital going into the agency.

Mr RIPPER: I think the Treasurer concedes my argument.

Mr Court: I do not. It simply puts them on an equal footing. There is no such thing as a free lunch. In fact, on Wednesdays there is no such thing as a lunch.

Mr RIPPER: I have noticed that.

The Treasurer might regard the present situation as unequal and biased against contracting out. Others do not. He says he is trying to make the system equal. That is still a shift from provision of in-house services towards contracting out. The Treasurer might regard the old system as unfair to the contracting-out option and as having only limited -

Mr Court: When you were in government you contracted out heavily. Labor Governments in the other States are contracting out. The member should be careful with his rhetoric about contracting out because members opposite do not mind doing it. Even the Labor Party does it.

Mr RIPPER: Of course an organisation does not perform every task in house. This Government has a philosophy of extensive contracting out, even to the extent of contracting out functions such as the management of contracting out and, remarkably, policy development processes. The Labor Party believes there must be a core public sector.

Mr Court: So do we.

Mr RIPPER: This Government is undermining that core traditional public sector.

Mr COURT: Labor moved dramatically to contracting out, so the member should not say he is against it.

Clause put and passed.

Referral to Public Accounts Committee

Mr RIPPER: I move -

That the Bill be referred to the Public Accounts Committee for consideration and report by 16 March 2000.

The debate on this Bill has established that its passing would lead to significant changes in the way the public sector operates. In addition, significant changes will arise in the presentation of budget papers. Both of these issues are of great concern to members of Parliament. The Public Accounts Committee is the body charged with overseeing the way in which the executive Government uses the finances provided by the taxpayers. It is the right parliamentary committee to examine these matters and it would seem also to be the most appropriate time for the Public Accounts Committee to examine this Bill. I received a circular recently from the Public Accounts Committee seeking my views on the operation of the estimates committee process. The committee is surveying all members of Parliament and preparing recommendations on the way in which the budget should be scrutinised. Consequently, if this Bill were to be referred to the Public Accounts Committee, it would dovetail nicely with the current inquiries of the committee.

This Government has conducted a continuous process of so-called reform of financial management and reporting. The object of the exercise has been to make the public sector much more like the private sector. This pleases the private sector and certainly pleases accountants, who believe that they will be more able to understand government accounts as they will be more like the accounts that they are accustomed to scrutinising in the private sector. It does not necessarily please members of Parliament and the Parliament. The continuous process of reform has made comparability between one set of budget papers and preceding sets of budget papers even more difficult. The Government has been able to have its cake and eat it too. It has been able to say to the private sector and to accountants, "We are reforming the reporting and budgeting in the public sector. We are making budgeting and financial reporting more like that which occurs in the private sector." It is a benefit to the Government to be able to say that. On the other hand, the real issue is the scrutiny which the public and the Parliament are able to apply to the financial operations of government. Because of the continuous process of change, the scrutiny which the Parliament has been able to apply to the budget process has been compromised. Comparability is not there as one set of budget papers does not look like another set of budget papers and many adjustments have to be made to determine what occurred in the long term.

Another issue is that members of Parliament are not, for the most part, private sector accountants, the Minister for Finance being a contrary example.

Mr Kobelke: An unusual exception.

Mr RIPPER: He is an unusual exception in many ways to the general run of members of Parliament. It is therefore important, when the Government embarks on these changes to financial reporting and budgeting matters, for members of Parliament to be consulted about the way in which budgeting information will be presented. If members are not consulted and their views not taken into account, scrutiny and accountability will be compromised. These changes are important. We have had useful discussion with the Treasurer and his advisers in the consideration in detail stage but, given the implications of the proposed changes and the possible threats to accountability, more detailed consideration of these Bills is required. The appropriate body to do that is a parliamentary committee and the appropriate parliamentary committee is the Public Accounts Committee. I have therefore moved this motion to have the Bill referred to that committee. We should receive a report from the Public Accounts Committee before we proceed finally to endorse this Bill.

Mr Court: Do you have to have a seconder for this?

The DEPUTY SPEAKER: No.

Mr GRAHAM: I strongly support the motion moved by the member for Belmont. I believe the Treasurer rose to add his support of the motion as he indicated in the debate last night that he had no difficulty with parts of the legislation being referred to the Public Accounts Committee. I look forward to hearing what he has to say. I will therefore conclude what I have to say before question time.

I make several points to the Treasurer: Firstly, there is no rush for this legislation, notwithstanding the fact that an urgency motion was passed yesterday. There is demonstrably no rush because in the previous debate in which I was involved, government members argued that there was a logjam in the Legislative Council which meant there was no chance of getting any government legislation through that place unless and until whatever. There is, therefore, no rush as it cannot be got through that place.

Mr Court: This is one of the Bills that we have told the Legislative Council we want addressed either prior to Christmas or early in the new year.

Mr GRAHAM: In the debate earlier, Government members spent a considerable amount of time pointing out how the Government has lost control in the other place and has no say on the agenda; so there ain't no rush. If there ain't no rush on the shortening of sitting times debate; there ain't no rush on this piece of legislation.

Secondly, this legislation will significantly change the way in which the budget will be presented. That is a matter that the Public Accounts Committee, of which, members may be aware, I am the deputy chair, is considering currently. It would be grossly improper for the Treasurer to change in a major way the format in which the budget is presented without giving the Public Accounts Committee the courtesy of being able to examine that change and its implication on the presentation of the budget.

The second leg of my argument is simply that an element of this legislative change concerns community service orders and how moneys will be provided from the consolidated fund to agencies. That is also a matter being considered by the Public Accounts Committee. There will never be a piece of legislation in this Chamber that has a more immediate effect and is more timely for the Public Accounts Committee to consider than this piece of legislation. As the Treasurer agreed in principle last night that the Bill should go to that committee, it behoves him now to support the motion.

Mr COURT: The Government will not support this motion. I explained to the Parliament that we were keen for the legislation to be passed prior to Christmas so that we could present the budget with these initiatives in place. If the Bill is referred to the Public Accounts Committee and does not return to this Chamber until March, the budget will be in preparation and we will not be able to present it in this form.

I reiterate that the Government will be working with the Public Accounts Committee in considering the detail of the administration of all three of these initiatives. Similarly, we will work with the committee on the presentation of the papers. I understand that Treasury has briefed the committee already on the effect of some of these proposed changes. For that reason, the Government will not support the motion.

Question put and a division taken with the following result -

Ayes (14)

Ms Anwyl
Mr Bridge
Mr Carpenter
Dr Edwards

Dr Gallop
Mr Graham
Mr Kobelke
Mr Marlborough

Mr McGinty
Ms McHale
Mr Ripper
Mrs Roberts

Mr Thomas
Mr McGowan
(Teller)

Noes (28)

Mr Ainsworth
Mr Baker
Mr Barnett
Mr Barron-Sullivan
Mr Board
Mr Bradshaw
Dr Constable

Mr Court
Mr Cowan
Mrs Edwardes
Dr Hames
Mrs Holmes
Mr House
Mr Johnson

Mr Kierath
Mr MacLean
Mr Marshall
Mr Masters
Mr Omodei
Mrs Parker
Mr Prince

Mr Shave
Mr Trenorden
Mr Tubby
Dr Turnbull
Mrs van de Klashorst
Mr Wiese
Mr Osborne (Teller)

Pairs

Mr Cunningham
Ms MacTiernan
Mr Grill
Ms Warnock

Mrs Hodson-Thomas
Mr Day
Mr Nicholls
Mr Sweetman

Question thus negatived.

[Questions without notice taken.]

Consideration in Detail Resumed

Title put and passed.

Third Reading

MR COURT (Nedlands - Treasurer) [2.38 pm]: I move -

That the Bill be now read a third time.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [2.38 pm]: The Labor Party is not opposing this legislation but it has grave concerns about the impact of the capital user charge in particular. It believes the matter should have been examined by the Public Accounts Committee before the Bill was endorsed by this House. Unfortunately, the Government has used its numbers to prevent such an inquiry - at least before the Bill is passed by the Parliament. However, I think the Public Accounts Committee could conduct such an inquiry on its own motion. That would be beneficial to the House as it might result in some adjustments to the *Budget Statements* and the way they are presented. It would certainly help illuminate members on the way this charge will apply.

What we have gained from the consideration in detail stage is that there will be a powerful incentive for agencies to sell off assets. The only way in which agencies can benefit from the capital user charge regime is if they reduce their use of government capital. To reduce their use of government capital they will sell off assets. This is the intention of the capital user charge which the Government is proposing to implement. Why will the Government encourage agencies to sell off assets? It is part of an overall scheme. This Government is in deficit in the general government sector on a cash basis, according to the Australian Bureau of Statistics guidelines, to the tune of \$638m in this financial year. It is forecasting a deficit on the same basis of \$261m in the next financial year. Debt is going up as a result of this deficit. The deficit must be financed in one way or another. Unless the Government is selling assets, it will be financed by an increase in debt.

The Government is responding to the increasing debt and to its current deficit in two ways. The first response is to propose the privatisation of AlintaGas and Westrail freight. The proceeds of those sales, according to the Government, would be first used to retire debt. Let us note that the Government proposes to retire debt when debt is increasing. It does not take

a great degree of intelligence or logical ability to work out the steps in this argument. The deficit in this financial year is leading to increased debt, and we have a government proposal to sell assets in order to retire debt; in other words, the Government is proposing to sell assets because in this financial year it is in deficit and in the next financial year it proposes to be in deficit as well. The Government's second response, following its proposal for large-scale privatisations, is to encourage agencies to engage in smaller-scale sell-offs of assets. As a result of the way in which the regime will work, agencies will sell more and more assets. That is what the financial incentives are about. This will presumably help the Government deal with its current financial position when it is in deficit, when debt is increasing and when it proposes to be in deficit again next year.

A second conclusion one can draw from the way in which the capital user charge regime will work is that there will be an increase in user-pays charges which are currently levied by the Government. Right across government we are seeing an increase in provisions for cost recovery for the supply of services. When agencies are faced with a capital user charge, and they are already seeking the full cost recovery on the provision of a service, they will increase the costs of that service to accommodate the capital user charge. Anybody who is now paying a full cost recovery charge for a government service should be aware that when this capital user charge regime is in place, those user-pays charges will go up.

The third conclusion is that we have gleaned from the consideration in detail stage that contracting out will increase. What is happening is that the capital user charge will increase the costs of providing services in house using government capital. What will happen, therefore, is that agencies will be more likely to conclude that to lease an asset or to contract out a service is a more viable commercial option. The Government claims that it is simply levelling the playing field. What will happen, though, is that whereas in the past decisions might have been made to use government capital, now those decisions will be more costly from an individual agency's point of view, so the bias will be towards more contracting out and leasing. When that is combined with government policies which encourage that and which reward chief executive officers for the amount of contracting out in which they engage, it is pretty clear that even more emphasis will be placed on contracting out in the future than in the past.

The Opposition has grave reservations about the way in which this capital user charge regime will impact. We understand and appreciate the theoretical argument that when deciding on what services to supply and how to supply them, the full costs of providing those services should be taken into account. We also understand the theoretical argument that there is a cost for the use of capital. We are not therefore opposing this legislation at this stage, although we might reconsider our position when the matter goes before the other place. However, we are very concerned about those matters to which I have drawn attention; about the potential for the increased sell-off of assets, the potential for increased contracting out and the potential for user-pays charges to rise.

Finally, we point to the Government's budgetary difficulties. The Treasurer continues to deny that the Government is in deficit. It is in deficit according to Australian Bureau of Statistics guidelines. This is a financial problem for the Government. Debt is rising. The Government must do something to deal with these deficit and debt problems. In our view it is proposing a double response: First, large-scale privatisations through the sell-off of AlintaGas and Westrail freight, and, second, smaller scale sell-offs through the capital user charge regime which will be applied to agencies and from which agencies can only benefit if they sell off assets and reduce their use of government capital. We will not vote against the Bill at this stage but we are sorry that the Government has not commissioned a Public Accounts Committee inquiry before asking the House to endorse the Bill. We hope that the Public Accounts Committee will nevertheless conduct an inquiry. We will reserve our position and reconsider this matter when the Bill goes before the other place.

Question put and passed.

Bill read a third time and transmitted to the Council.

APPROPRIATION (CONSOLIDATED FUND) BILL (No. 3) 1999

Consideration in Detail

Resumed from 28 October.

Schedule 1 -

Debate was adjourned after schedule 1 had been partly considered.

Mr RIPPER: The Opposition sent a number of questions to the Treasurer to enable better discussion of this legislation in the consideration in detail stage. This legislation covers a large number of portfolio areas. We discovered in previous consideration in detail stage debate that information could not be provided at times because it related to various portfolio areas. I am not sure exactly how I should proceed. Perhaps I could go through the questions provided to the Treasurer, and he can answer them.

I commence with the allocation of \$90 000 for the Legislative Assembly. On what date or dates was the additional funding required by the Legislative Assembly, how much was sought on each occasion and on what dates did Treasury approve the additional expenditure?

Mr COURT: It was sought on 19 May 1998. Members should note that Treasury does not approve additional expenditures, as supplementary funding requires approval by the Treasurer in accordance with section 28 of the Financial Administration and Audit Act 1985. Accordingly, the Treasurer approved the additional funding on 24 June 1998.

Mr RIPPER: An allocation of \$3.3m was made for the Ministry of the Premier and Cabinet. I refer to the explanatory

memorandum which claims that \$3.3m was provided in additional funding in 1997-98. Why does this figure differ from that provided on page 78 of the 1997-98 Ministry of the Premier and Cabinet annual report, which claims that \$4.6m was provided in supplementary funding throughout 1997-98? In reference to page 78 of the annual report, will the Treasurer provide a breakdown of the funding for the Salaries and Allowances Act 1975; the Royal Commission into the City of Wanneroo; the establishment and fit out of new parliamentary electorate offices; additional part-time electorate officers; RiskCover; the Emergency Services Task Force; the Graffiti Task Force; the parliamentary superannuation review; the review of the Police Act; grants for war memorials; the Shane Gould clean sport campaign; the WA Football Development Trust; and budget promotion? On what dates was additional funding sought by the department? How much was sought on each occasion, and on what dates did Treasury approve the additional expenditure?

Mr COURT: I seek some advice, Mr Speaker. The questions have been provided, for which I thank the member. We have answers for all questions. Can we expedite the provision of the answers, which extend over about 40 pages?

The SPEAKER: Even at this early stage I suddenly sense a quasi-estimates committee process evolving, Deputy Leader of the Opposition. This Bill is not meant to have an estimates committee stage. If the Treasurer is prepared to table the document, as he can do under the new standing orders, the information will be supplied. We will then make progress.

Mr COURT: I table the answers.

[See paper No 382.]

Mr RIPPER: I am not sure of the nature of the document which the Treasurer has tabled. I hope it includes the questions as well as the answers.

Mr COURT: It is for four schedules. It is done in detail.

Mr RIPPER: On first glance, it seems that the document tabled includes the questions as well as the answers. Therefore, it will be easily understood by people seeking to read it. I thank the Treasurer for his consideration.

The SPEAKER: It appears that the document contains more information than asked for in this Bill as it covers four schedules.

Mr COURT: It covers two schedules in this Bill, and two schedules in the next appropriation Bill.

Mr KOBELKE: In earlier consideration in detail debate on this Bill I posed a small number of questions for which the Treasurer said he would provide answers. The normal detail and breakdown was not given on fairly large amounts under "miscellaneous" and "others". Can the Treasurer now provide that detail?

Mr COURT: I have the questions and answers with me. The member asked questions concerning Tourism and supplementary funding for the Heineken Classic and Rally Australia, and the total funding for each event. I provide a full answer. Questions were asked about the Western Australian Sports Centre Trust concerning the World Swimming Championships, and I provide that information. A question was asked about the Ministry of Justice and the breakup of moneys listed under "others". I provide that answer also. A question was asked on redundancy payments. I table the document containing the answers.

[See paper No 383.]

Mr KOBELKE: My final question on schedule 1 relates to the Western Australian Building Management Authority and a sum approaching \$39m. I seek some clarification of its component parts. The BMA has been difficult to understand because of structures which have been in place since before the Treasurer came to government. Funds pass from one organisation to another, which makes it very difficult to understand how the input of funds relates to outputs. Can clarification be given, although not necessarily through an itemised breakdown, of the areas of outputs covered by the extra \$40m?

Mr COURT: This is the entire budget for the Department of Contract and Management Services. The 1997-98 budget was compiled in the expectation that CAMS would be operational from 1 July 1997. When the legislation was not enacted prior to 1 July 1997, it was necessary to create a new item for the Western Australian Building Management Authority and to recast the CAMS budget. Expenditure on the BMA operations came to \$34.968m. In addition, the BMA was unable to retain the proceeds from the sale of the Welshpool properties, which created a shortfall in funding, and \$4.005m was appropriated for that purpose.

Mr Kobelke: If this was simply a matter of reallocating funding to the correct categories in the budget, was a similar amount of approximately \$35m taken out of another budget and reallocated?

Mr COURT: Yes.

Mr Kobelke: So, there was no area of overspending or new policies that had to be covered by additional funding within this amount?

Mr COURT: The only additional item is the \$4.005m, which was the proceeds from the sale of the Welshpool properties.

Mr Kobelke: Which I deducted from the \$39m to get the figure I used.

Mr RIPPER: Schedule 1 refers to an item in the Education budget of \$25m, and it is stated that the expenditure increase is due to enterprise agreement salary expenses and various other increases. Is this the usual method of funding salary

increases? Can the Treasurer outline the way the Government would usually handle the awarding of a salary increase in one of its agencies? There are not many other references to salary increases. Presumably, the Education portfolio salary increase was handled in a different way. Perhaps the Treasurer can explain why.

Mr COURT: Normally increases are built into the budget. This was a particularly large increase. Members might recall the lengthy negotiations that occurred at that time. Not enough had been allocated in the budget.

Mr RIPPER: I refer to the overall amounts appropriated under the Treasurer's Advance Account. Does the Treasurer expect that the use of that account will decline in the future? We have significant growth in the use of that account. How will that matter be handled? Will the accrual appropriation system lead to less use of the Treasurer's Advance Account?

Mr COURT: There will always be a need to use the Treasurer's Advance Account. In this current year we are anticipating a much lower level of use because we included large budget increases in big demand areas, particularly in Health and Education. For that reason there should be a decrease in the level of use.

Mr RIPPER: I note that there is a particularly big increase in the schedule for 1997-98 for Health - \$66m was allocated to that budget, of which \$24.5m was for estimated shortfalls in the teaching hospitals. Is the Treasurer saying that he now thinks he has the Health budget roughly right and that the Government will not be faced with the need for budget injections using the Treasurer's Advance Account financial year after financial year?

Mr COURT: Getting a handle on the growth in demand for health services is difficult, but this year we are reasonably confident. There will be some requirements for additional funds. However, of all the areas of government responsibility, the demand for health services is the most difficult to handle.

Mr RIPPER: One of the reasons for the increased use of the Treasurer's Advance Account has been the inability of large agencies to cope with the Government's productivity dividend policy. That has been a continuing issue for the Education Department, which has argued that it is not possible to apply a productivity dividend policy to anything but the head office administration costs.

Mr Court: Where it is formula driven.

Mr RIPPER: Is the Government continuing with its productivity dividend policy? How will that apply in future to agencies such as hospitals and schools?

Mr COURT: The current policy is that agencies must use productivity improvements to justify part of their wage increases.

Mr RIPPER: I am still unsure. Is the Government now applying a productivity dividend to the Education Department and Health Department budgets as it prepares its budget for the next financial year?

Mr Court: Across government, no. However, a component of wage increases must be delivered by productivity improvements.

Mr RIPPER: That is interesting information. It implies that the Government has abandoned the productivity dividend policy that was the centrepiece of the famous four-year financial plan it presented to the public in the lead-up to the December 1996 election. Members might recall that at that stage all the Government's election promises were said to be funded from the implementation of the productivity dividend policy. The Treasurer told the Labor Party that it could fund its election promises only from that source. Now we find that the productivity dividend policy is not to be applied to major government agencies following the experience of the attempted implementation of that policy and the ultimate recourse to the Treasurer's Advance Account to make up for the shortfalls.

Mr COURT: That is a complete misrepresentation. The productivity dividends asked for in most areas have been achieved. In the current round of negotiations we want productivity improvements to fund a certain component of the wage increases. Those productivity dividends have already been delivered. There was an issue in respect of the component of the Education budget that is formula driven, but that is the only major area in which the dividend has not been delivered.

Mr RIPPER: Is the Treasurer saying that the Health portfolio has delivered productivity dividends, despite the \$66m that had to be injected by the Treasurer's Advance Account in the financial year 1997-98? I would like to know whether the Health portfolio has delivered a productivity dividend and the size of that dividend.

Mr COURT: The Health Department has met its productivity dividend, but growth in demand has caused problems.

Mr Ripper: What productivity dividends have applied in the Health portfolio?

Mr COURT: I will provide those figures to the member during the debate.

Schedule 1 put and passed.

Schedule 2 -

Mr KOBELKE: I refer to the administered grants and transfer payment of \$7.65m in the agriculture section. I seek some understanding of how this money was handled through the agency. The budget papers for this year allocated that as 1997-98 expenditure to the Western Australian Meat Marketing Corporation, which is a public entity. It is reflected in this Bill that an extraordinary amount was raised. Did that money go to the Western Australian Meat Marketing Corporation? Its annual report, which was tabled yesterday, made no mention of it. Which agency did this money go to and what is the approval procedure for either using it or passing it on?

Mr COURT: I am told that Cabinet approved the money to be provided as a capital injection. Is the member asking whether the money has gone across to that agency yet?

Mr Kobelke: Has the money gone across, and to which entity did it actually go?

Mr COURT: The money went to Agriculture Western Australia. I need to check to find out where it went from there. I will provide that information to the member.

Mr KOBELKE: The budget papers - I know we are not dealing with those here - show expenditure for the last financial year, which is what this Bill deals with. I accept this Bill correctly reflects that the money was allocated to Agriculture Western Australia. Agriculture Western Australia's budget was tabled and was passed by this Parliament. That money was allocated to the Western Australian Meat Marketing Corporation. However, the Western Australian Meat Marketing Corporation annual report for the same financial year has now been tabled and shows that the corporation did not receive the money. Does that mean that if money is appropriated to Agriculture Western Australia, it does not necessarily go to the specific agency stated in the budget? Therefore, what approvals are required for the money to be held by a different entity within the Agriculture Western Australia portfolio?

Mr COURT: The money that went to Agriculture Western Australia must be spent on the purposes for which it was provided; that is, it must be spent as a capital injection to the Western Australian Meat Marketing Corporation.

Mr KOBELKE: Our difficulty with this is that in the Estimates Committee, the Minister for Primary Industry indicated that the Western Australian Meat Marketing Corporation was not the final resting place for that money. Rather, it was his intention all along to use the money for a cooperative which is, I assume, a non-government entity. The minister stated that. I am not questioning it. The issue is with the money in the Bill and with ascertaining the proper process for the way that money is transferred or dispersed so that we can confirm the money was handled in accordance with Treasury requirements.

Mr COURT: The money has gone to assist the privatisation of the Western Australian Meat Marketing Corporation. Does the member want to know how it was transferred from Agriculture Western Australia to the new body?

Mr Kobelke: At what stage of the process is the money at the moment?

Mr COURT: We will find out. That money is additional to what this Bill covers. The Bill does not cover that additional appropriation. I will get that information for the member.

Mr KOBELKE: I thank the Treasurer. I do not see the money as additional to what is covered by this Bill, because the Bill says that the money is allocated to Agriculture Western Australia. Therefore, I think it is appropriate for us to know whether the money is actually going to its source according to procedures required by the statutes of this Parliament. We dealt with those statutes earlier.

The education allocation in the schedule is some \$60m. This raises further examples of matters the Deputy Leader of the Opposition raised in schedule 1 whereby money is provided for the preceding financial year; that is, 1997-98. Again, it is a large amount of money in excess of the actual budget allocation. The note that has been provided indicates that again this money applies to the productivity dividend and to a carryover of \$22m. I understand this carryover is expenditure from the preceding year which was carried into the next budget because the Education Department overspent its budget in that preceding year. Is it correct that \$22m of the \$60m allocation was a cost incurred in 1997-98 and picked up in this additional payment for 1998-99?

Mr Court: Does the member want to know how the allocation is split up?

Mr KOBELKE: No, the Treasurer provided that in the explanatory memorandum. A \$22m component of the \$60.5m was for carryover commitments from 1997-98. I am trying to work out exactly what it means. I will explain what I think it means and the Treasurer can confirm or correct that. On the surface it seems that the Education Department expenditure exceeded the allocation, in a general sense, by \$22m in 1997-98. That \$22m has simply been picked up in the following financial year as a contribution to the cost of education in 1997-98.

Mr COURT: The member is asking whether the money was a carry-over of commitments. Basically, that would be in the form of an overdraft which is picked up in the following year. That is what it says.

Mr Kobelke: I think the Treasurer and I are saying the same thing. That carry over seems to happen fairly regularly. Is it now ongoing practice for the Education Department to overrun its budget and then pick it up in the following year?

Mr COURT: Treasury advise me that it is quite rare. It is not common.

Mr Kobelke: I understand it has happened in a couple of years recently.

Mr COURT: In some agencies, yes.

Mr Kobelke: I am talking only about the Education Department. Has this become a practice in the Education Department in the past two or three years?

Mr COURT: I have answered the question. It does not often happen across government.

Mr KOBELKE: I thank the Treasurer. However, I am referring specifically to the Education allocation in schedule 2 and trying to ascertain whether it has become recent practice in the Education Department for the budget to be overspent in a given financial year and the money be picked up in the allocation in the following financial year. I think the Treasurer has

confirmed that that was true for 1997-98 and that the 1998-99 budget picked up \$22m for that general overspending and it has been the same for the figure in 1998-99 being carried over into the 1999-2000 budget. There has been overspending and a considerable amount was allocated in the current budget to cover the overspending of last year.

Mr COURT: I am advised that the member is not correct. There was no overdraft in 1998-99; if there was, it was very small. If the member is asking whether the amount in the 1998-99 budget was the same as the previous year, the answer is no.

Mr KOBELKE: When the Treasurer says that there was no overdraft, does that mean that there was no carryover fund in any form, or was it just that the overdraft facility was not -

Mr Court: There was no carryover in any form.

Mr KOBELKE: Okay. Therefore, when we deal with this budget next year will we find under education, there will be a carryover paid in the current budget from the 1998-99 budget?

Mr Court: No.

Mr RIPPER: The education item in the explanatory memorandum states that the excess relates mainly to the productivity dividend introduced by the Government but which was unable to be met by the department. That was \$27.2m. The carryover of commitments from 1997-98 was \$22m; the enterprise agreements, salaries and expenses totalled \$8.1m; and additional risk cover insurance costs totalled \$3.3m. From my reading of that list it can be seen that the majority of the \$60m injected into education in 1998-99 was made up of the \$27.2m productivity dividend which could not be met and the carryover of commitments from 1997-98 of \$22m. My understanding of the \$22m carryover of commitments from 1997-98 is that that also related to a productivity dividend of \$19m for 1997-98 which could not be met by the department. The figures indicate that the \$27.2m explicitly relates to a productivity dividend which could not be met and \$19m relates implicitly to a productivity dividend which could not be met. In other words, more than half - approximately \$46m - of the \$60m relates to productivity dividends which could not be met by the Education Department.

The Government has been honest with the explanatory memorandum which has been presented to this House. It is clear from a close reading of the explanatory memorandum that Education had to get extra money because it could not comply with the Government's productivity dividend policy. However, I do not think the Premier was honest with the public when he put out a media release regarding this extra funding for the Education Department and other agencies on 26 February 1999. The release states -

Premier Richard Court has announced funding increases for health, education and justice following a review of the State's financial position.

Reading from the education sector it states -

In the education sector we have provided \$43m over four years for local area planning and \$50m in 1998-99 to fund the Government's commitment to reduce class sizes and other initiatives in schools.

The Government is putting additional money into education in the middle of 1998-99 and claiming that it is doing it for reductions in class sizes and other initiatives when the truth is that the Government is putting the money into education because its productivity dividend policy for education has failed. The Government has tried to cut education spending through the application of a productivity dividend. The attempted cut has failed because of the formula-driven nature of education and the political sensitivities in the area. It has been forced to reverse its decision, put additional money into education and when it has come time to announce that decision, the Government has not come clean with the public. It has said that it is doing this to fund new initiatives. There is a real contradiction between what the Premier said in his press release of 26 February, 1999 and what the Government has told the Parliament in this explanatory memorandum. I would like to ask the Premier why he came out with that press release in February, 1999 when it really was not a true explanation of the situation.

Mr COURT: It was true. We could not fund those projects unless those additional moneys were put in. I have explained the productivity dividend issues and the additional funds that have been appropriated for that. As I said the education component of the budget is formula driven. We have accepted there are difficulties in putting that across the board. However, as I have also explained, most agencies have been able to meet that productivity dividend. Does the Deputy Leader of the Opposition want us to put the money into education?

Mr RIPPER: I want the Government to put the money into education but I want it to be honest about why it is putting it in.

Mr Court: So we can fund those programs.

Mr RIPPER: I think the Government put it in because it tried to apply a productivity dividend and it failed. It found in the end it could not apply a productivity dividend to education, which brings me to my next set of questions. Is the Treasurer proposing, apart from requiring productivity trade-offs in salary negotiations, to continue with a productivity dividend policy, or is the Treasurer in effect dropping the idea of applying uniform productivity dividends across agency expenditures right across government? My understanding was that the Government was calculating the productivity dividends on a 1.5 per cent basis. Has the productivity dividend policy effectively ended or can we expect the Government to go to the next election campaign with a proposal for another round of productivity dividend cuts in order to fund election promises?

Mr COURT: Is the member referring specifically to education?

Mr Ripper: I am referring to the whole of government but education is a very substantial slice of government expenditure. Perhaps the Treasurer can answer in the specific and in the general.

Mr COURT: In this current year's Education budget we are not using productivity dividends to fund the wage increases. I will not say what those figures are because we are in those negotiations now. I am sure the member understands that in the budget, salaries are our biggest single component. Across government, the productivity dividends were delivered except in some components, for example, of education and so that has been delivered.

Mr Ripper: What about the future? Given that you cannot apply it in education, will you expect other agencies to return -

Mr COURT: As I said, we have expected them to use a productivity dividend to fund a component of their wage increases but we are not doing that in education.

Mr RIPPER: I am experiencing some frustration with the Treasurer's answers. Will the productivity dividend policy apply in future? When I ask the Treasurer that question he says, "The agencies delivered their productivity dividends"; that is history. I want to know whether the productivity dividend policy still applies or whether it has been reduced to only requiring productivity trade-offs for wage increases in some agencies but not in education. That seems to be the position we have reached. On the basis of what the Treasurer has said, my understanding is that the productivity dividend policy has collapsed. It has been reduced to a requirement for trade-offs with regard to some wage negotiations. That does not even apply to education. Therefore, it seems that the centrepiece of the whole funding source for the election promises has now collapsed as a policy and the Government will not be applying that in the future. Can the Treasurer give us some understanding of whether they will apply to the next budget and be shown in the forward estimates? How does he propose to fund his election commitments in the absence of that mechanism?

Mr COURT: The productivity dividends were used until 1997-98. In the forward estimates they were locked in at approximately \$100m.

Mr Ripper: What do you mean by "locked in"?

Mr COURT: In the 1997-98 year that figure had to be achieved. It must also be achieved in the years ahead, but we have not included an additional requirement for 1999-2000. In effect, it is a permanent reduction that has been put into the base of the budget of those agencies.

Mr RIPPER: We originally saw that there would be an annual productivity dividend. I think it was set at 1.5 per cent. The idea was to ensure continuous improvement in productivity in government agencies that would be reflected in dividends back to Treasury, which I suppose we could describe as cuts imposed by Treasury on government agencies on the assumption that efficiency improvements would be made. However, the Treasurer is telling us now that some efficiency improvements were made and some cuts could be made to the base allocations to government agencies and they have been locked in. In other words, the base has not been allowed to increase.

Mr Court: The base has decreased.

Mr RIPPER: That is another way of saying the same thing. That decreased base will apply in future years. That is now part of the forward estimates. The Government is not seeking to impose productivity dividends in anticipation of further efficiency improvements, so there will not be another 1.5 per cent dividend. Come the next election campaign, what source will the Government use for funding its election commitments? It will not be able to do what it did last time because that is already in the base in the forward estimates.

Mr COURT: I do not think the member for Belmont heard my reference to the component I just mentioned. Productivity dividends will have to be used in a component of the wage negotiations. The Labor Government presided over wage freezes for several years. It is our policy that every year people get a wage increase. However, we are saying that those increases can be delivered only out of productivity dividends. That is one of the most significant parts of future wage negotiations.

Mr RIPPER: I am pursuing this issue because it is the reason for payments under the Treasurer's Advance Account. I presume the Treasurer will again produce forward estimates for four years during the next election campaign.

Mr Court: We will produce another surplus budget.

Mr RIPPER: A surplus budget before the next election will be the first for a while. The way the Government is going, it would be contrary to its forward estimates to produce a surplus budget because the estimates show a deficit of \$261m for the next financial year on a cash basis. Leaving that aside, is the Treasurer proposing to have Treasury produce a set of forward estimates at the beginning of the election campaign? Will those forward estimates include a source of funding for election commitments as occurred last time? If it is not the productivity dividend scheme, because that applies only to certain wage negotiations, what will be the source of funding? This is not simply a matter of curiosity.

Mr Court: Because you want to work out how you will fund some of your commitments.

Mr RIPPER: Last time, the Treasurer said this was the only way he could fund his election commitments. Given that he seems to have abandoned the scheme, we want to know what financial rules he will invent for the next election campaign.

Mr COURT: We will certainly be publishing the current state of the budget and the forward estimates at the time of the election being called. If the Opposition wants to include a productivity dividend, it can. If we do -

Mr Ripper interjected.

Mr COURT: I will not tell the member that. Next the Opposition will want us to write its policy speech.

Mr RIPPER: We can do much better than have the Treasurer write our policy speech for us. We think we can better source our policies than to copy those of the coalition.

With regard to the allocation to Education of \$60.5m, the press release put out by the Treasurer announcing that injection of funds was dated 26 February. However, according to the answers given to us, the \$60.5m was sought only in June. Why was there such a gap between the informal announcement and the formal application for funds?

Mr COURT: The decisions were made in February; the amounts were entered into the forward estimates and the moneys were allocated.

Mr Ripper: You announced the injection of funds before the application for the moneys from the Treasurer's Advance Account was made.

Mr COURT: The money was not required until then.

Mr Ripper: You told Education it would get the money before it made the application.

Mr COURT: We have a fairly accurate figure about the state of people's budgets. Every four weeks, Education and Health must report the state of their annual budgets and their forward estimates to the budget committee. One of the joys of government is getting up early every Monday morning and attending budget meetings.

Mr RIPPER: It must be particularly joyless to get further information every Monday morning about the deficit and to hear that there will be a further deficit in the following financial year.

Mr Court: You wish.

Mr RIPPER: I do not wish the State to be in deficit. I am simply working from the information the Government has provided.

Mr Court: The State has never been in a stronger financial position. It is going ahead in leaps and bounds. We put more money into education and you just knock us for that. You should be saying that what we have done in all these areas is fantastic.

Mr RIPPER: My best contribution during that outburst was to remain silent because I wanted it to be recorded by the Hansard reporter uninterrupted. I will use it in due course with those commentators who are convinced that this Government has a deficit this financial year.

Mr Court: Who?

Mr RIPPER: Mike Nahan, for example.

Mr Court: You keep mentioning him but you don't mention anyone else.

Mr RIPPER: He is the most publicly voluble of people. The Chamber of Commerce and Industry also has grave concerns, which it has publicly expressed.

Mr Court: Mike Nahan says we should have cut expenditure in Health and Education. Do you agree with that?

Mr Kobelke: That is his solution.

Mr Court: Do you agree with what he said? The answer is no, you do not.

Mr RIPPER: We agree when he says the State's budget is in deficit. The Treasurer does not seem to agree.

Mr Court: The state budget is not in deficit.

Mr RIPPER: I am referring to the general government sector on a cash basis according to the guidelines of the Australian Bureau of Statistics.

Mr Court: You fail to take into account the capital works program. If you had the decency to understand what it was about you would not make a fool of yourself by thinking we are in deficit. You know that according to the measures by which we can be compared directly with the Labor Government's budgets we have always operated a surplus budget.

Mr RIPPER: We have gone back, and we can see that the budget is in deficit to a greater extent than at any time in the State's history, and to a greater extent than any other State.

Mr Board: That is a throwaway line that has no sense to it at all.

Mr RIPPER: They are not throwaway lines. They are the result of an analysis of the budget papers which the Treasurer presents to this Parliament.

Let us come back to this Bill. There is a connection between this Bill and the deficit. It is an example of the Government's poor management of its finances in which so much is apparently unforeseen, and so much is apparently wrong with the initial budgets that we require the extensive use of the Treasurer's Advance Account. The Opposition's staff have briefly examined the answers to our questions which the Treasurer has provided on the use of the Treasurer's Advance Account. I am advised that in 1999 the Education Department sought an amount of \$77.5m and \$60.5m was provided. A comparison of these two

figures indicates that the Education Department wanted \$17m more than was provided at the time. Did the Treasury knock back the Education Department's request for that \$17m?

Mr COURT: I will get that information for the member for Belmont. The member for Belmont asked a question about the productivity dividends in Health. In the forward estimates of 1997-98 the figure was \$14.002m; in 1998-99 it was \$20.070m; in 1999-2000, \$24.038m; and in 2001, \$24.038m

Mr Ripper: Do you regard the Health portfolio as having delivered the productivity dividends?

Mr COURT: Yes. However, there was a measurable increase in demand. That is how they helped fund that demand.

Mr KOBELKE: I will refer to specific details in schedule 2. The first relates to an allocation to the Water Corporation of WA of over \$1m. The explanatory memorandum states the excess was attributed to increased community service obligations payments. The Treasurer has provided answers to some questions that we placed on notice and has broken up that figure. What community service obligations make up that amount, and why were these beyond what was the standard amount? What area of underestimation or of new programs led to an increase in expenditure for community service obligations?

Mr COURT: The CSOs were more than the estimate. The Water Corporation has significant community service obligations, and they were estimated incorrectly.

Mr Kobelke: Was it an error in the estimation and not an increased uptake of Seniors Cards or some other component?

Mr COURT: That sort of thing may have contributed to the increase, but the overall CSOs in the Water Corporation are quite significant. We will get that figure, but it was purely to do with the estimation.

Mr KOBELKE: The next item in the schedule is the Electricity Corporation's agreed statement of principles payment of \$65.6m. This is a one-off payment from the Commonwealth to the State which has been passed on to the Electricity Corporation, and a note indicates that it relates to a lump sum payment for an amount that would have accumulated over some years. To which years did those payments which have now been aggregated into that lump sum relate? Was the full amount received by Treasury from the Commonwealth passed on to the Electricity Corporation or will other components be received from the Commonwealth?

Mr COURT: The answer is on page 3 of the papers that were provided to members. Western Power was paid this money in exchange for the consolidated fund retaining the agreed statement of principle payments received from the Commonwealth in respect of the North West Shelf contracts over the period June 1998 to June 2006 that would otherwise have been passed on. The one-off payment to Western Power was part of a broader package of initiatives that will result in the organisation's balance sheet becoming more reflective of its post-corporatisation business position.

The answer in relation to the Education Department is that \$77.7m was requested on the basis of expected cash flow requirements, but the department only required \$60.5m. This was paid.

Mr Kobelke: Was the amount that related to the agreed statement of principles payments a closing-off payment or for a particular period?

Mr COURT: It was a closing-off payment.

Mr Kobelke: Was the full amount of agreed statement of principles payments passed on to the Electricity Corporation or are there other components?

Mr COURT: It was the discounted value, because the amount was paid in advance.

The Water Corporation's CSO in 1999-2000 is \$210m, so it is a significant payment.

Mr KOBELKE: I refer to an item of \$960 000 to resources development relating to the Oakajee development. There is a suggestion that \$2.4m was involved in the payments, but that was offset by revenue from BHP in respect of South Hedland. Would the Treasurer clarify the position of the \$2m that is referred to in the explanatory notes? It is my understanding that it was for geotechnical work, and that when a proponent is finally decided upon and takes up the role as port developer, the cost of that work to be passed to the developer will be recouped. Will the Treasurer confirm that that is the intention?

Mr Court: Yes, that is the intention.

Mr KOBELKE: Will the Treasurer indicate the timing for the preliminary processes that must be decided, such as determination of the developer and a commitment to work?

Mr COURT: There must be a major project commitment before the Government will proceed. The agreement Act with An Feng Kingstream was on the basis that it would commit to and spend a certain amount before the Government started on some of its commitments. The work that has been done to date at Oakajee - securing the site and some of the preliminary work - is a good investment. I firmly believe that Geraldton and the mid west will become a major processing centre for minerals, including minerals from the Pilbara. It will also become a major service centre for developments in the Murchison area. Huge tonnages of different freight are going into that area, particularly with the development of the new nickel projects.

As far as timing is concerned, now that there is renewed activity in the resources sector and the commodity prices are putting more confidence into that sector, I hope that there will be a number of reasons a deep water port facility must be built at Oakajee. I believe that in future the agricultural industry will require larger port facilities.

Mr KOBELKE: First, what is the total expenditure on the Oakajee site to date, which this obviously forms a part of? Secondly, do the variations to the agreement Act open up further liability to the State?

Mr BARNETT: The agreement simply makes a minor alteration. Originally the proponents were to construct a narrow gauge railway line from Talling Peak to Oakajee, but for technical and volume reasons, they now prefer to operate a standard gauge line. That suits the State and will allow it to save money. The State and the proponents will share the leg between Narngulu and Oakajee. That will be in the interests of both parties. From memory, in the order of \$10m either has been spent or has been committed to be spent on Oakajee.

Mr Kobelke: Although the variations to the agreement have gone through the Parliament and the minister has explained some of that, does it open any further substantial liability to the State for the provision or overall cost of infrastructure?

Mr BARNETT: No, it produces a net saving because we will contribute to some of the earthworks and building the rail system. The State was committed to construct the line from Narngulu to Oakajee, and the proponents were responsible for the line from Talling Peak to Oakajee. We would have had parallel narrow gauge and standard gauge lines, and now there will be only a standard gauge line. The State will agree to contribute towards the earthworks. The net effect is a saving for the State.

Mr Kobelke: The mention in that agreement of a power plant or power station was not a new proposal?

Mr BARNETT: No, there is no commitment by the State to provide a power plant, but it will facilitate the development of a private power station in the area.

Mr RIPPER: I note that \$566 000 was provided for the Chemistry Centre (WA). The Opposition asked questions about that, and the Treasurer's tabled answer states that -

Mr Court: Are you questioning my answers?

Mr RIPPER: No, but I have a few further questions on the basis of the answers.

Mr Court: We should not have tabled them then.

Mr RIPPER: Perhaps not, but that is accountability! The Treasurer was asked why the Chemistry Centre ran a cash deficit in 1998-99, and the tabled answer was that government scientific business was redirected to other suppliers, causing a cash shortfall of \$566 000 in 1998-99. This seems not to be a good situation. The government agencies could have used the Chemistry Centre, but instead used other suppliers. The Chemistry Centre ran at a loss and the Government had to make up the loss of \$566 000. Surely it would have been more economic for the other government agencies to direct their work to the government-supported Chemistry Centre rather than other suppliers. On the basis of the information provided, I do not regard this as a good example of financial management. What will happen to it? Will the Government keep supplying funds to the Chemistry Centre, even though it makes a loss, and allow agencies to use other suppliers even though the government-supported agency is not breaking even?

Mr COURT: Agencies use the scientific services that best suit their requirements. I cannot give more detail on the Chemistry Centre in this debate, because I have Treasury officials with me but not people from the Department of Minerals and Energy. I cannot comment to that extent of detail. This is a broad budget debate and my answer provided some detail, but I cannot provide information on policy issues relating to the Chemistry Centre.

Mr KOBELKE: I refer to the \$32m for Transport. According to the explanatory memorandum, one component of that amount was \$17.7m to MetroBus to offset funding to the agency for accepting staff transferred to it under the two-year placement scheme. There is another item of \$78 000 to the Western Australian Department of Training for expenses incurred by the department on placement costs of staff redeployed from MetroBus. What is the all-up cost for the redeployment of MetroBus staff to various government agencies?

Mr COURT: Any agency that takes MetroBus redeployees receives supplementary funding from Treasury, and that money comes off the \$17.7m. That is the total amount.

Mr Kobelke: It cannot be because there is another \$78 000 under the Department of Training.

Mr COURT: That comes off the \$17.7m.

Mr Kobelke: That is accounted for twice in these figures.

Mr COURT: The \$17.7m has not been fully utilised and a deduction will be taken back to take account of the amount that goes into Training. It goes back into the fund.

Mr RIPPER: These figures for the MetroBus changes are not very impressive. The supplementary funding of \$17.7m seems to indicate a disaster in the implementation of the Government's closure of MetroBus and the privatisation of the public transport services. Would the Treasurer agree that this whole matter was obviously mishandled if there was such a large underestimation of the reaction of the staff that in the end the Government needed to come up with another \$17.7m, which is not a small sum in anyone's terms? I also wonder how this additional funding reflects on the overall calculation of the economics of the MetroBus closure and the privatisation of public transport. What might have looked like a commercially sound decision looks much worse when supplementary funding of \$17.7m is taken into account.

Debate adjourned, pursuant to standing orders.

[Continued on page 3342.]

POLICE ACT AMENDMENT (PROHIBITION OF STREET PROSTITUTION) BILL 1999

Introduction and First Reading

Bill introduced, on motion by Mrs Roberts, and read a first time.

Second Reading

MRS ROBERTS (Midland) [4.01 pm]: I move -

That the Bill be now read a second time.

Prostitution, and more specifically street prostitution, is one of the most controversial issues facing our community today, particularly in the Perth metropolitan area. Everyone has a view about prostitution, what should be done about it, what type of law reform is needed, and so on. As members know, prostitution itself is not illegal, although the Police Act 1892 prohibits a number of activities related to prostitution, such as keeping a brothel and soliciting.

Not surprisingly, prostitution has existed in Western Australia since the early days of European settlement. By the turn of this century there were hundreds of brothels in places like central Perth, Fremantle and Kalgoorlie - with these establishments being "tolerated" by local government and the police authorities, despite being illegal. There has been an ongoing debate about the different containment policies which have existed over the years. I reiterate that a policy of continuing to have activities related to prostitution being officially illegal yet officially tolerated is becoming increasingly unsustainable. It is for this reason that the Opposition has been urging the State Government to introduce its long-promised prostitution Bill. In this respect, I am pleased the Premier has at least agreed to release a draft Bill in order to encourage a bipartisan approach on this matter. I hope the Premier is able to give this House a commitment on when this draft Bill will become available. Nevertheless, it is clear that an overarching prostitution Bill will not be introduced, let alone passed, by the Parliament this year. That means many people in the sex industry, and the police trying to enforce the law, are in a difficult situation.

However, of great concern is the situation regarding street prostitution - particularly as it affects residents, businesses and visitors in areas such as Northbridge and East Perth. Put simply, streetwalkers and their clients are making residents' lives a misery. Young girls and women are being accosted outside their own homes and propositioned for sex. One resident took out a restraining order against a prostitute earlier this year because he had no other legal remedy. Many residents have complained to their local member of Parliament, the member for Perth, and to Mayor John Hyde and the councillors of the Town of Vincent. People from other suburbs may not be aware of the extent and seriousness of the problem. However, it is a very serious problem. Prostitutes and their clients are using residential streets 24 hours a day. Much of the activity is undertaken in broad daylight. On occasions, streetwalkers have even picked up clients outside the Highgate Primary School.

Two years ago the then Police Minister said that state Cabinet had given approval to draft legislation to control and regulate prostitution. That still has not happened. The minister stated at the time -

"This Government seeks to introduce controls on an activity which, if left unregulated, will spread in an uncontrolled manner and pose a serious threat to the community through lack of disease control, exploitation of women and children, criminal activity and creating a public nuisance in the streets."

Unfortunately, the whole situation of prostitution has deteriorated. Street prostitution has become an intolerable burden for many ordinary residents.

The Opposition believes it is essential that adequate legislation be put in place to cover street prostitution, at least while the overarching Bill is finalised. This Bill is specifically directed towards street prostitution, and does not affect the existing legislative penalties dealing with prostitution. It is largely based on the equivalent provisions in the Australian Capital Territory's Prostitution Act 1992.

The existing provisions in Western Australian law dealing with solicitation are somewhat restricted. Section 65(8) of Western Australia's Police Act currently makes it an offence for -

Every common prostitute wandering in the public streets or highways, or being in any thoroughfare or place of public resort, and behaving in a riotous or indecent manner.

This provision begs the question - what is a "riotous or indecent manner"? When is a person a "common prostitute"? Probably the most glaring omission in the provision is that the penalty only applies to the "common prostitute" - not the client, or prospective client. A similar problem arises under section 59 of the Police Act.

In addition, the law does not sufficiently prohibit people from loitering in an area or accosting ordinary passers-by for sexual services - a situation which is of serious concern for residents in places like Northbridge and East Perth. New section 65A(1) in clause 4 of the Bill prohibits any person from accosting another person, or soliciting or loitering, in a street or thoroughfare, for the purposes of offering - that is, selling - or procuring - that is, buying - "commercial sexual services". "Commercial sexual services" are defined as selling or buying sexual services for monetary or material reward. This applies regardless of whether the reward is to be paid to the prostitute concerned or to a third party. The terms "street" and "thoroughfare" are defined by reference to section 2 of the Police Act. In particular, it should be noted that a "street" includes a "public place". At common law, a "public place" is a place to which the general public can, and does, have access, and therefore would cover places such as parks, public squares and so on. The penalty for breaching this law is \$2 000.

Proposed section 65A(2) prohibits any person from accosting a child in a street or thoroughfare for the purpose of offering

or procuring commercial sexual services. A "child" is defined by reference to section 1 of the Criminal Code; that is, a person who has not reached the age of 18 years. The penalty for breaching this provision is imprisonment for two years. It is worth noting that this penalty of two years' imprisonment reflects the penalties that currently apply to certain offences such as section 186 of the Criminal Code, which deals with allowing children to be on the premises for the purpose of unlawful carnal knowledge, and section 191, which deals with procuration for the purposes of prostitution.

Proposed section 65A(3) defines certain terms for the purposes of the proposed new section, including "child", "commercial sexual services", "prostitute", "sexual services", "street", and "thoroughfare".

The Opposition recognises that the passage of its Police Act Amendment (Prohibition of Street Prostitution) Bill addresses only one part of the problem that needs to be resolved, and that a framework to regulate the sex industry as a whole needs to be implemented. I remind the House that in 1995, Labor issued a very comprehensive discussion paper on the specific topic of decriminalising prostitution. It fully understands how complex this issue is. But residents and business people in places such as Northbridge and East Perth can no longer wait. It seems clear that, for whatever reason, there is concern about a lack of police powers to adequately deal with street prostitution. At the very least, as the Government seems unable to come up with any prostitution law reforms this year, it is vital that the police be given clear authority to deal with street prostitution as a matter of urgency. I commend the Bill to the House.

Debate adjourned, on motion by Mr Barnett (Leader of the House).

REGIONAL FOREST AGREEMENT, ASSISTANCE TO WORKERS AFFECTED

Motion

DR EDWARDS (Maylands) [4.12 pm]: I move -

That this House condemns the failure of the Government to provide timely and proper assistance to workers affected by the Regional Forest Agreement.

When the Regional Forest Agreement was signed and released on 4 May of this year, we were told that the State and Commonwealth Governments had agreed to a \$41.5m industry development program. A lot of hype accompanied the announcement and many promises were made. We were told that a memorandum of understanding had been signed, and that \$38.5m was to be set aside for a WA forest industry structural adjustment program, which is commonly known as FISAP. We were told there would be an industry development component resulting in greater efficiency, competitiveness and value adding, which we all want to see in the timber industry. We were told that a structural adjustment component would be available for businesses and their employees affected by the RFA. We were given some detail, and it sounded as though the Government had some idea about what it was doing. We were told that the industry development component would involve a mixture of grant and interest subsidies, which would be levered up to \$40m in loans for industry. Every member of this House was pleased to hear about this proposal. It was confirmed that industry would be re-tooled, that objectives would change and that manufacturing in the timber industry would increase. Examples were given: There would be expansion to kiln capacity, better marketing and better product development. We were also told that the development of cooperative initiatives between independent businesses would be encouraged. These were all good ideas.

Mr Omodei: They are already happening, as you should know.

Dr EDWARDS: Let us hear about that then. Not a lot is happening on the ground.

All these ideas are tried and true, and are needed to make the transition from native forests into plantations. Also, we were told that priorities were set for the timber industry. We were to move to a system of internationally recognised certification and we would investigate alternative uses of lower grade and residue products. Support was to be provided, particularly for small operators to make them more effective and to allow them to market and export their timber products. These programs were well received. The Minister for the Environment went to Nannup and we saw television footage of her talking to timber workers. It seemed that the industry support side of the RFA equation was being taken care of.

What do we have now? At the end of October, the Government had spent only \$300 000 of this money.

Mr Omodei: The mill has not closed at Nannup!

Dr EDWARDS: I am talking about a range of issues. Many things are taking place in the minister's electorate - he should know about them.

The Deputy Premier announced yesterday a \$400 000 interest-free loan to Cutts Transport Pty Ltd to take over the Bunnings engineering works. We were all pleased about that development, I am sure.

Some of the events following the release of the RFA were distressing. I received a telephone call the day following the announcement of the RFA from a worker in Manjimup outlining that a shift had been cut and that people were to lose their jobs. That obviously was not directly as a result of the RFA. However, the workers were told that the RFA had been released, and the shift was cut.

Mr Omodei: Where? It was not in Manjimup.

Dr EDWARDS: It was in Pemberton - I am sorry.

Mr Omodei: It was not cut.

Dr EDWARDS: The worker who telephoned me told me it was cut. That person was extremely upset. Perhaps workers were cut from the shift. Whatever happened, this worker was extremely upset, and was concerned that the shift cut was being blamed on the RFA. We have heard other such stories. People from the timber industry are approaching opposition members complaining about the lack of assistance they are receiving from government, and the lack of concern shown for workers in the industry. This is disgraceful, given what was said when the RFA was announced. Sadly, 53 jobs went when the engineering works closed.

I received a briefing from the Government not long ago about FISAP. I tried for months to obtain that briefing, which was the shortest briefing I have ever experienced - it went to the point of being rude. I give some credit to the Executive Director of the Department of Conservation and Land Management, Dr Shea: At least he realised that members of the Opposition were becoming rather annoyed at being told nothing, and he answered a number of other questions. We learnt at the FISAP briefing that the program will eventually have three parts; namely, workers' assistance, industry adjustment and development, and business exit. We asked what was being planned for the three programs. The response was folded arms and silence. We were worried that the officers did not know, or did not want to tell us - it seemed more likely that they did not know as they had not thought it through.

The Commonwealth and the State cannot get their acts together to talk properly to get the money flowing.

Mrs Edwardes: What money is needed at the moment that we cannot access?

Dr EDWARDS: Money is needed to help people trying to utilise the minister's program.

Mrs Edwardes: Who has asked for money and for which program and not received it?

Dr EDWARDS: Let me quote the Deputy Premier from yesterday.

Mrs Edwardes: You want money to be thrown at what?

Dr EDWARDS: We will hear in a minute about the money the Government will throw at people. The Deputy Premier said yesterday of Minister Tuckey: "It is time he put up or shut up." He told the federal minister that we want the \$20m now. It seems that the Deputy Premier is having a disagreement with the Minister for the Environment. Mr Tuckey added that he wanted the cash for genuine value adding. The Government does not have the programs. The briefing officers outlined the names of the three programs, and stated that the State could not implement the programs as money was not coming from the Commonwealth. This is because the State cannot get its act together to talk to the Commonwealth and sort it out.

Mrs Edwardes: It is there for anyone who wants the money to access. We do not have to wait for the Commonwealth. Who wants it, and cannot get it?

Dr EDWARDS: It seems that the money is there, but the gate is padlocked. Why are people in the industry, including those of the south west, talking to the Opposition, complaining about not being able to access the programs and the money when the money is available? I am relieved the money is available, and the minister should start giving it out.

I turn now to what was said in Federal Parliament on 21 October. Mr Tuckey said that no money had been provided by the Commonwealth under FISAP to WA since 4 May 1999 when the RFA was signed. He went on to have a swipe at the State Government for its changes announced on 27 July when the RFA was modified. He said -

The responsibility for addressing the impacts on forest businesses and workers of Premier Richard Court's announcement rests with the Western Australian Government.

The Western Australian Government should be meeting its responsibilities and caring for the timber workers in the south west. It is not enough to have the Deputy Premier announce yesterday a good program for Cutts Transport, and then have a go at Wilson Tuckey. We want proper dialogue, solutions and the problems solved.

When the Government signed the RFA, the Minister for the Environment announced that the Nannup mill, currently operated by Bunnings Forest Products, would be upgraded to a high-value furniture, flooring and craft wood facility. We saw that announcement made on television. The workers were lined up shaking hands with the minister. We also saw it in the newspaper.

Mrs Edwardes: Is the Nannup mill still operating?

Dr EDWARDS: The minister said that the mill would not be closed; that workers were guaranteed their jobs but they would have to be retrained in order to make the mill more viable.

Mrs Edwardes: Is the Nannup mill still operating?

Dr EDWARDS: The minister should let me get to the point. We want the mill to be more viable as that is a good thing. However, what is occurring? In answer to a question asked in Parliament on 9 November, six months after the Regional Forest Agreement was signed, the minister said that expressions of interest had not been called for the operation of the mill. When asked to explain the delay, all she could say was that discussions - yet more talk - were under way.

Mr Omodei: But the mill is still open and running.

Dr EDWARDS: It is not moving towards the objects of the RFA.

Mrs Edwardes: Of course it is.

Dr EDWARDS: How can it be?

Mrs Edwardes: Because discussions are under way. We do not own the assets, in case you are not sure about that. Bunnings Forest Products owns the assets. Bunnings is running the mill and we are having discussions with Bunnings because of an expression of interest by the council.

Dr EDWARDS: It must be a very slow discussion. If the Government has been having discussions for six months, those discussions can hardly be called productive. The minister should go home and examine her pay packet.

On 5 May a heading in *The West Australian* stated, "Nannup mill workers all smiles over future". What is the Government doing? It is having discussions. This must be the Government for discussions. Every time an issue is raised in the environmental area the minister sets up another committee, employs another consultant and has more discussions. I congratulate the minister on her ability to have discussions.

Mr Prince: What do you want, decisions without consultation? What an absurd suggestion!

Dr EDWARDS: The minister should not make me laugh. The Government's standard of consultation leaves a great deal to be desired.

Mr McGinty: Does the Government remember that it is the same RFA that it would not even publish for public information?

Dr EDWARDS: Yes, the Environmental Protection Authority could not look at it. Does the minister remember the 500 scientists?

Several members interjected.

The DEPUTY SPEAKER: Order! The member for Maylands is making a speech. I will not tolerate interjections from members on either side of the Chamber.

Dr EDWARDS: I refer to questions asked recently about the original RFA and the revised RFA. The first question asked was how much had been allocated for redundancy payments. The answer was that an amount of \$8m had been allocated for redundancy payments, relocation and training. Specifically how much is allocated to redundancy? It is \$7.3m. How much has been allocated to training and retraining? It is \$0.7m. So much for the commitment to retraining; so much for the commitment to workers; so much for value adding and manufacturing when 10 times as much money is being spent on redundancy as is being spent on training and retraining. That is an absolute disgrace. We were told initially by this Government, when the RFA was being discussed earlier in the year, that no jobs would be lost; it would create a "jobs neutral" situation. Then we were told it would create jobs. If the Government got it right and moved industry towards manufacturing, that would create more jobs and it would not be required to pay \$7.3m for redundancies and \$0.7m for training and retraining. The figures should be the other way around. What about the people who are involved? Let us talk about workers' assistance guidelines. What are they? We know what they may include but can one get a copy of them? No. Why is that? It is because they are still in preparation. They are under discussion. The motto of the Government must be: "Out to lunch; under discussion". The answer to every question is that it is under discussion or, alternatively, referred to a consultant, not for consultation, but just referred to a consultant.

I turn now to the role of the interim forest industry advisory committee. On 16 June the minister told us that this committee was now up and running. We were told that it would comprise various members and would be chaired by Ian Mackenzie. Mr Mackenzie was the chairman of the Bank of Western Australia Ltd and in the media release we were told that, until March 1999, he was the chief executive officer of Wesfi Limited. I had many concerns about this committee. The committee comprises people who represent various timber interests including Bushmill Timbers, Hamilton Sawmills Pty Ltd and Timber Traders Cockburn, and others with an active and direct interest in the industry. When the New South Wales Government set up a similar committee it ensured that it did not include members who had their hands literally on the work. That committee comprised people from umbrella groups removed from the industry who could give advice and make decisions at arm's length from the direct financial impact on the people involved. I had concerns about the committee and referred the matter to the Auditor General. Unfortunately, he was unable to look at the matter as the committee is not a statutory authority. However, he referred me to codes of practice and guidelines as to how these committees should operate.

What has the committee done? It has not done much, on the information that we can obtain about it. The Opposition hears of people becoming extremely frustrated about the lack of action by this committee. We are now told by the minister that Mr Mackenzie has resigned from the committee because he had a perceived potential conflict of interest as he is still involved with Wesfi. Who is right? Was the minister right in the beginning when she said that his involvement had concluded or was the man right when he resigned? This raises questions about the process as there is a perception of a conflict of interest when members of this committee are actively involved in bids and want things directly from the RFA relating to value adding and manufacturing. I hope the minister will revisit this committee under its new chairman and put to rest any hint of a conflict of interest.

Mr Omodei: Just for your information, that committee is advising the minister on people who want to exit the industry. You are talking about people in the industry.

Mrs Edwardes: And those people are operating under a code of practice which is used around Australia.

Dr EDWARDS: The New South Wales Government went a step further than that. It is a pity that we could not take that step.

Mrs Edwardes: We borrowed the New South Wales code of practice.

Dr EDWARDS: Yes, but the people comprising the NSW committee had positions different from those of the members of this committee.

I now make a few final comments about employment and training. On 27 August this year the Minister for Employment and Training released a 15-page guide to help retrenched workers who were concerned about what was going on. I showed this guide to members of Parliament. When the guide was released I visited the web site on the Internet. I cannot say that it was very elucidating. Essentially, it referred the readers to many web sites so that they could contact people in Western Australia and other parts of Australia. It suggested that new apprentices should contact the Department of Training and referred to Job Network agencies being a commonwealth funded replacement for the Commonwealth Employment Service. It referred also to the WA job search guide, state Joblink networks, and the commonwealth Department of Employment, Education, Training and Youth Affairs web site. It is hardly the type of package that is needed in Nannup. A much more individually tailored, locally relevant package is needed than this site on the Internet. If I had been a worker who had been directly affected by the RFA, I would have been insulted to have read that. It did contain useful information for people about Centrelink assistance but it is not what the minister promised.

Mrs Edwardes: The Department of Training provides local, on the ground, group-by-group advice.

Dr EDWARDS: I am sure it provides all of that, but the Minister for Employment and Training pretends that he is launching something which is not what he purported it to be. All this information has been put together by someone probably in a few hours. It is helpful, but it is not what was set out in the media release. I was extremely disappointed when I went to that web site.

Mrs Edwardes: You are ignoring what else is happening on the ground so you mislead by omission.

Mr Omodei: All 112 workers of Simplot Australia Pty Ltd received four weeks' redundancy pay for every year's service. In addition, they received training and assistance in preparing CVs and job applications.

Mrs Edwardes: Similar service and support has been provided to people in Greenbushes and elsewhere, so don't ignore what is actually happening on the ground. By omission, you mislead.

Dr EDWARDS: Mr Deputy Speaker, more discussions, I am sure.

Mrs Edwardes: No, it is on the ground.

Dr EDWARDS: It is unsatisfactory for opposition members when people from down south contact them asking with whom they should get in touch to find out about these programs. It is unsatisfactory for opposition members when they call upon the Government for assistance, wait for weeks, hassle the minister's office and finally get a briefing on the WA forest industry structural adjustment program for a mere 10 minutes with bureaucrats with their arms folded telling them that they cannot say what is occurring because the money has not flowed from the Commonwealth. The minister's office does not even know the content of its programs when they are announced. The Government failed with its RFA; it failed to protect the forests; and this afternoon we heard what is occurring with timber sleepers. Worse than that, the Government is failing to protect the workers and I condemn the Government for its inaction.

MR MCGINTY (Fremantle) [4.30 pm]: The Regional Forest Agreement has been a shambles throughout 1999 at least. About the time it was announced in May of this year I vividly recall the minister and the member for Warren-Blackwood addressing gatherings on the front steps of Parliament House guaranteeing workers job losses would not occur and that jobs would be created as a result of the RFA because it was such a good deal. The member for Warren-Blackwood went further than that and promised to resign if the RFA had a detrimental effect on his constituents.

Mr Omodei: I did not say that at all; I said I would consider resigning if my community did not get a fair deal from the RFA. I am in a better position to help my constituents than if I were on the same side as you.

Mr MCGINTY: Did they get a fair deal?

Mr Omodei: They have not had a fair deal yet.

Mr MCGINTY: If the minister's constituents have not yet had a fair deal, why has he not resigned?

Mr Omodei: The process has not started yet.

Mr MCGINTY: He likes the chauffeur-driven limo and the plush surroundings of ministerial office. He is using the excuse that he wants to remain as a minister so that he can argue for a better deal. It has more to do with self-interest on the minister's part than it has to do with any of his constituents.

Mr Omodei: Don't judge me by your standards.

Mr MCGINTY: The minister agreed in Cabinet to the revised RFA which, according to his approach to these issues, has not been a good deal for his constituents. He put up his hand and voted for it.

Mrs Edwardes: He is a very effective member and will ensure his community is looked after.

The DEPUTY SPEAKER: The member for Fremantle has the floor. I think we have had enough interjections.

Mr MCGINTY: Thank you, Mr Deputy Speaker. If the minister gives his word that he will resign unless his constituents get a good deal, but he cannot bring himself to give up the plush surroundings of ministerial office, when out of his own mouth his constituents are not getting a good deal, he stands condemned.

Mr Omodei: At least at the moment I am effective. You could not describe yourself as effective.

Mr McGINTY: The minister is very effective! How many redundancies do we have in the industry so far? How good was he in standing up for his constituents when he put up his hand in Cabinet and agreed to the revised RFA?

Mr Omodei: When did I promise that?

Mr McGINTY: When he put up his hand in Cabinet.

Mr Omodei: Where are the redundancies in the timber industry, apart from Greenbushes, which collapsed financially?

Mr McGINTY: The engineering works.

Mr Omodei: The engineering works are starting up on Monday.

Mr McGINTY: How many redundancies were there? There were 53.

Mr Omodei: Most already have work.

Mr McGINTY: How many redundancies occurred at Whittakers?

Mr Omodei: Whittakers collapsed because of financial pressures, not because of the RFA.

Mr McGINTY: We are talking about more than 200 redundancies. The minister asked me where were the redundancies. I have just referred to more than 200.

Mr Omodei: Read the local paper.

Mr McGINTY: The minister is sitting back in his plush leather couch saying, "Isn't this RFA terrible?" when he put up his hand to vote for it. The minister is a hypocrite.

Mrs Edwardes: There was always going to be pain.

Mr McGINTY: Are we rewriting history now?

Mrs Edwardes: In the subsequent decision on 27 July the pain that would be associated with that was identified and announced. You tell me differently.

Mr McGINTY: I remember vividly watching the Minister for the Environment.

Mrs Edwardes: The 27 July decision announced by the Premier had pain associated with it. That fact was announced and identified publicly.

Mr Omodei: Where was the bipartisan support?

Mr McGINTY: Who was the only person who had the courage -

Mrs Edwardes: Not as a result of the RFA, kiddo. The 27 July decision was a different issue.

Mr McGINTY: Those two ministers stood out the front and said there would be no pain. Who was the only person who had the courage to stand out there and tell the truth to the timber workers? It was neither the Minister for the Environment nor the Minister for Local Government. Those two ministers misled people. They said that all would be well; they would look after the workers.

Mrs Edwardes: The 27 July decision made an enormous change. The decision to stop logging old-growth karri and tingle caused a major change.

Mr McGINTY: That should have been done initially; it was inevitable that would occur.

Mrs Edwardes: However, members opposite are hypocritical because they stand over there saying they support workers; yet they will devastate the whole of the south west region, including towns and workers' jobs. They will throw money at them and tell them to find a few jobs in tourism and plantations. What nonsense. It shows a total lack of understanding of the industry and of the south west communities and how they operate.

Mr McGINTY: If such a big backflip in the direction of the RFA occurred, surely the minister realised she would have to do that at the beginning. Surely the member for Warren-Blackwood should have resigned over an enormous backflip that had incredible consequences for the people in the timber industry in the south west.

Mr Omodei: How would I help them if I were sitting on the same side of the House as you?

Mr McGINTY: The minister is playing the lowest level of base politics in which he said, "I am on your side; I will resign unless I get the deal I want." He did not get the deal he wanted, his constituents did not get a good deal, and he is still sitting there because he enjoys the trappings of ministerial office. He is remarkably ineffective. He voted for the mark II RFA which has many implications. Who was the only person who had the honesty to say to the faces of those workers what would happen? It was not the Minister for the Environment who assured people they would be okay; nor was it the member for Warren-Blackwood.

Mrs Edwardes: The ALP's position is schizophrenic. One minute you support workers; then you say you will protect the coupe; and then you say you will cut it down to meet the contract before 2003 and devastate the whole of the south west community from then on. You have no idea. It is a joke.

Mr McGINTY: How schizophrenic is it to have an RFA mark I from which the Government says it will not retreat, and then to do a big backflip and come up with RFA mark II? Talk about schizophrenia. What do members opposite really believe in? Do they know what they believe in? They are all over the place.

Mrs Edwardes: You have no standard position.

Mr McGINTY: The one person who stood out the front and addressed those workers and who can hold his head high today is the Leader of the Opposition. He told it as it was.

Mr Omodei: The greatest treachery this Parliament has ever seen.

Mr McGINTY: I know the Minister for Local Government does not like hearing about it because he is a hypocrite. He makes promises to his constituents and then fails to deliver. He said he was a great guy because he was going to resign. He failed to deliver because he cannot give up the trappings of office or the parliamentary superannuation which is enhanced because he is a minister. He cannot give up the benefits of a ministerial salary, the chauffeur-driven limousine or the international travel. He wants to keep his bum on that plush leather couch. He knows that is the reason he failed to look after his constituents and he failed to do the very thing he promised he would do.

I will say it again because I know members opposite are squealing like stuck pigs over this issue. One member who stood out the front of this Parliament and addressed the timber workers can hold his head high. That member is the Leader of the Opposition.

Mr Omodei interjected.

Mr McGINTY: The minister can keep squealing. However, he should let me finish. I will repeat it because I know he does not like it. Geoffrey Gallop can hold his head high because consistently throughout the debate this year he had the courage to tell the timber workers the truth about what faced them and that they should not believe the Minister for the Environment, the Minister for Local Government or the bloke who wants it both ways, the pretend greeny sitting behind me. Dr Gallop said changes would occur in their industry which would result in job losses. He said it was his duty to tell them that because it was the truth. He copped a hostile reception because government members had said the exact opposite. Who was right? Dr Gallop was right. That is the truth of the matter. Government members were shown up in front of the hundreds of timber workers whom they have conned and deceived.

Mr Omodei: When you were the minister 590 000 cubic metres were cut down.

Mr McGINTY: Will the Minister for Local Government resign? He promised people that he would. The Leader of the Opposition, Dr Geoff Gallop, is the only person who can hold his head high in this debate. He told the truth when ministers of the Crown and those workers' local member did not. It was too painful for government members to stand up in front of hundreds of workers and tell them the honest truth. I have stood up on many occasions in front of hundreds, indeed thousands, of workers and I have told them the truth about what will happen. From time to time that is hard. From time to time people do not like to hear what will confront them, their families and their future. Geoff Gallop had the strength of character and the courage to tell it like it was. He has done that consistently and he has been proved correct. Both the Minister for the Environment and the Minister for Local Government have been proved completely incorrect in the misleading information that they gave to the workers on that occasion.

Mrs Edwardes: Let us talk about your policy.

Mr McGINTY: Let us talk about who can hold his or her head high, because the Minister for the Environment cannot. That was the beginning of this farce. It was a shambles from the beginning. The Minister for the Environment had to do a backflip. Why? Because my good friend the member for Cottesloe was threatened with the loss of his seat, and the Premier was going to lose his seat. Liberal Party members turned against the Government in a wave of public protest and Liberals for Forests was born. The policy of the Liberals for Forests is very much the Labor Party's policy. The Government's ranks were divided and Liberals for Forests were saying that the Labor Party had the correct approach to this issue. The Government then did a backflip going three-quarters of the way towards the Labor Party policy. If what the Government has announced with respect to karri and tingle comes to pass and areas of old-growth forest are protected, that will be seen to be a positive step. Neither the member for Warren-Blackwood nor the Minister for the Environment can take any credit whatever for that, because they were prepared to sell out our forests and mislead and deceive timber workers in the south west of Western Australia.

Mrs Edwardes interjected.

Mr McGINTY: I cannot hear the Minister for the Environment, so she might as well make her point a little more directly. The Minister for the Environment has not told the truth at any time during this issue.

The next stage is the much vaunted workers' assistance program. I ask the Minister for the Environment: How much money has been spent out of that \$41m program?

Mrs Edwardes: What programs are waiting for money to be spent? Who is waiting for money to be spent on them?

Mr McGINTY: How much has the minister spent? Is the minister not capable of answering a straightforward question?

Mrs Edwardes: It is a transitional process. You guys have no understanding of it. You want the whole \$41m spent in six months.

Mr McGINTY: Here we go! The Minister for the Environment cannot tell the truth. She could not tell the truth to the

workers in front of Parliament House. She said, "Everything will be okay. Let's not worry about this." It is a simple question, but the minister cannot bring herself to answer. How much, minister?

Mrs Edwardes: I will go through the whole of the detail and all of the programs. You finish your speech and tell us who is waiting for money. Who has not got money if they wanted it?

Mr McGINTY: How much, minister? The Minister for the Environment is nearly as bad as the ministers who will be dumped in the cabinet reallocation at the end of the year. Can the minister not give me a straight answer? She is like a snake. She slithers all over the place. I want just one figure: How much has been spent? I know how much has been allocated.

Mrs Edwardes: I will go through every single detail in my response. I want the member for Fremantle to tell me who is waiting for money.

Mr McGINTY: No, I have asked the minister a question. Out of the \$41.5m allocated, how much has the minister spent?

Mrs Edwardes: I will go through it in detail.

Mr McGINTY: How much was spent? Give us the bottom line. Surely, it is not that hard for the minister to tell the truth once in her life. How much?

Mrs Edwardes: Who is waiting for money who wants it?

Mr McGINTY: I have another 16 minutes, and I can sit here and wait. I am very patient. Eventually, as with everything involving this issue, we will drag it out of the minister. What more simple question could I ask of a minister who should be accountable to this House than how much of that \$41m has she spent? The minister cannot tell me. What is the bottom line, minister? Will the minister tell me what is the bottom line? Surely the minister should be able to account to this House how much money she has spent. How much money has the minister spent?

The DEPUTY SPEAKER: I ask members to direct their remarks through the Chair and maybe we can get on with the debate.

Mr McGINTY: Mr Deputy Speaker, I will ask the minister once more: How much of the \$41m allocated has been spent?

Mrs Edwardes: I will give it to you chapter and verse when I stand up to speak. Wait for it!

Mr McGINTY: What a disgrace of a minister. She is not prepared when asked a direct question to give a direct answer. That is the hallmark of the Minister for the Environment. She is like a snake. She slithers all over the place. She is slippery. She does not tell the truth and when these straightforward questions are put to her she does not answer them. I will ask the minister again: How much money has she spent?

Mrs Edwardes: Answer my question.

Mr McGINTY: No. The minister is not prepared to tell us. The Minister for the Environment knows the answer to this as well as I do. She is mightily embarrassed by how little money has been allocated out of that fund when hundreds of workers are being made redundant through changes taking place in the industry and the money has not been forthcoming. That is the reason for the motion that the Opposition has moved today - that this House condemns the failure of the Government to provide timely and proper assistance to workers affected by the Regional Forest Agreement. I would have thought the least the minister could do is to say, "We've spent so many million of the \$41m allocated", but she will not. I have asked the minister a dozen times, but she will not answer and tell me how much money has been spent. The minister cannot bring herself to tell the truth. That is the essential problem here. The minister could not bring herself to tell the truth to the workers on the front steps of Parliament House. Geoff Gallop was the only one who did that and he can hold his head high today. The minister will not answer that question now because she is embarrassed by what is occurring.

The minister asked me where the money should be spent. At Whittakers 175 workers lost their jobs.

Mrs Edwardes: How much did we pay them?

Mr McGINTY: Let me try to drag it out of the minister in this way: How much out of that \$41m has the minister spent on the Whittakers workers?

Mrs Edwardes: Not one of those workers is waiting for any money.

Mr McGINTY: It is a simple question. Why does the minister not tell us the truth?

Mr Omodei: Did Whittakers collapse because of the RFA?

Mr McGINTY: Is this money being spent on the Whittakers workers? The member for Warren-Blackwood asked a silly question. The Minister for the Environment will not tell the truth in this debate. She will not give the figures in this debate. She is happy to rabbit on, but when it comes down to providing a specific answer to a question she will not.

I ask the minister: Has money been provided to the 53 workers who lost their jobs at Bunning's engineering works in Manjimup?

Mr Omodei: Yes.

Mr McGINTY: We have the answer to that, but the minister will not tell us how much. From the beginning the RFA was

a shambles. That was compounded by the Government's backflip, and further compounded by its inactivity in looking after the workers. The minister has presided over a disgrace and she should join the queue of exiting ministers at the end of this year.

MRS EDWARDES (Kingsley - Minister for the Environment) [4.48 pm]: I cannot believe that the Opposition would have the gall to even raise this motion. The Opposition said it wanted to support the workers of the south west community. Its approach is to tell the workers to have a go at tourism or jobs in plantations. Will those jobs be in the towns that have been affected by the Opposition's decision not to log all old-growth jarrah? We made the decision in respect of karri and tingle on 26 July subsequent to the signing of the RFA and that was made public on 27 July. We knew there would be pain associated with that decision. We identified it and we will make funds available to all those companies, the workers and the contractors which will be impacted on by the RFA decision and the subsequent decision. The Opposition is saying that \$41.5m, as part of the industry restructuring package, would have been spent by now; or maybe half, or a quarter or only 10 per cent of it would have been spent. However, it has failed to recognise that we are talking about a transitional phase of moving the industry from 1999 to a new industry from 2004. The contracts are in existence until the end of 2003. This is where the Opposition's hypocrisy comes to light. It announced on 8 May this year that, post-election, it would meet all existing contracts to 2003, it would stop all old-growth logging from 2004 and it would place a moratorium on old-growth forests and forests of high conservation value. Therefore, the day after the Opposition was elected, it would immediately put into the reserves system all old-growth forests of high conservation value and manage the transition to the plantation industry and re-growth forests! Like they say on the footy advertisements, I would like to see that because it is saying, "Cut it down now to meet the contracts to 2003" but totally devastate the south-west communities and the jobs in those communities by putting into reserves areas of high conservation value forests. It has not told the communities which coupes will be cut down to meet the contracts to 2003 and it has not identified which areas will not be cut down. It cannot be done; it is total hypocrisy. This is all about getting votes to win the next election. It is a cut-it-down policy until 2003 and everything will be okay and if the workers then want jobs there will be jobs in plantations and in tourism! Where will those jobs in plantations be? They will not be in the south-west area; they will be in the lower rainfall area where we have started our maritime pine project because the blue gums project is well and truly up and running. Even so, the blue gums are not in the areas associated with the towns which would be impacted on if the Opposition proceeded with its policy of no old-growth jarrah logging. It is absolutely impossible and hypocrisy at its worst. The ALP's policy is schizophrenic.

On 28 April the Leader of the Opposition said on the Eoin Cameron 6WF Drive program -

The fact of the matter is, if there's going to be restructuring down there, we need a worker assistance package.

The fact of the matter is that the coalition Government has a worker assistance package and we have not seen anything from the Opposition. It has not produced its worker assistance package. It talks about the transition to the plantation industry and regrowth forest. What the Leader of the Opposition meant to say, when he tried to clarify what he said on 5 May on radio station 6WF, was -

It's up to the Labor Party to come up with an alternative.

Yeah, right! I would like to see that! The community is waiting for it. What is the Labor Party's alternative? On the next day, 6 May, the Leader of the Opposition was quoted in *The West Australian* as saying that all the existing timber contracts would be honoured until they expired in 2003 and then all old-growth logging would cease. He also guaranteed jobs until 2003. However, members should not forget that on 27 July he said -

Day one we go into government we put into the reserve system all of the old growth forests that are of high conservation value . . .

How can he do that? I would like to see that! Three days later he was quoted in the *Manjimup-Bridgetown Times* naming the coupes that would be immediately protected under Labor's new forest policy. What a nonsense! Its policy is to meet contracts to 2003, guarantee all jobs until 2003, protect all high conversation reserves, all on the day it is elected! It has to be kidding! The Leader of the Opposition is saying that all contracts will be met until 2003 but will not identify which coupes will be cut down to do that. How will the Opposition do that and protect all the high conversation ones? It cannot be done! There is no way! Even members of the ALP are saying that it cannot be done. In the same edition of the *Manjimup-Bridgetown Times* the member for Eyre expressed doubts. I am saying that it cannot be done. The "buy a vote at any expense" just rolls on for the Labor Party.

On 11 June, the member for Rockingham was quoted in the *Weekend Courier* as being concerned about the devastating effect logging was having on the ecosystems, plants and animal life of the south west. What is the motion about today? It seeks to condemn the failure of the Government to provide timely and proper assistance to workers. I do not remember the member for Rockingham saying a word about the devastation of the south west towns and the devastation of the workers, or what the ALP would do for them.

On 29 October the member for Belmont, who was acting Leader of the Opposition at the time, also revealed the duplicity of the ALP approach. On the Harvey Deegan program on 6PR he said-

Only the election of a Labor Government will bring about the protection of our old growth forests.

In his very next breath he agreed that they could not immediately cease logging and said-

No, we're saying, when current contracts expire then we will cease logging in old growth forests.

There will be none left! They will have to be cut down to meet the contracts!

What will the ALP do to assist workers? That is the criticism levelled at us - we have not been assisting workers. The ALP policy for workers involves cutting the income to the south west communities by \$100m a year. It would cause mill closures all over the south west. The estimates of jobs lost vary but they are put at between 2 500 by the forest industry and 3 400 under the RFA by CALM's analysis. That is the Labor Party's policy for workers. The Leader of the Opposition's solution is pretty simple, he wants to throw money at the workers and tell them it is tough luck and they should try their hand at tourism or on a plantation or two. What about those towns? I will name some of them. The first is Greenbushes. It does not matter what the Government does to get a viable timber operation up and running in Greenbushes, because the Opposition will kill that if it stops logging of old-growth jarrah. If members opposite get into government, it will make no difference. Their policies will kill Greenbushes. Manjimup, Pemberton and Nannup would go. There is no sense my worrying about trying to find the resources or expressions of interest for Nannup, because there will be no Nannup if members opposite stop logging of old-growth jarrah. Dean Mill, Northcliffe and Witchcliffe would be hung out to dry. I will show members a map that gives some indication of the impact. The red spots on this map represent towns and workers in these areas. The Opposition's policies will impact upon those towns and people. That would then start to affect Busselton and Bunbury. Members opposite would give the south west communities \$100m as a Christmas present. That is their policy for the workers and south west towns.

I now refer to some statistics for that area. According to the Australian Bureau of Statistics, the population of Greenbushes is 779 with a median age of 32 years. If members opposite take away the jobs of 144 workers, that will mean almost 20 per cent of the population in that town will be unemployed in one hit. That will impact not only on the workers, but also on their families and the whole community. If members opposite did not understand the impact on Greenbushes of the mill closure, they had their blinkers on. Members opposite would repeat that in the whole of the south west. The closure of Whittakers affected not only the employees of that company, but also 15 employees of a transport company which delivered the logs, those contracted to do the roadworks for the harvesting and even the harvesting contractors themselves. According to the Australian Labor Party, this Government has stood by and allowed this to happen without providing any support or assistance to the workers. Members opposite have overlooked the fact that Whittakers shut its doors without making any provision for paying employees their final entitlements. Perhaps the Opposition has overlooked the fact that the State Government stepped in and paid \$1.36m in retrenchment and redundancy top-up and pro rata long service leave payments. The Opposition has also overlooked the fact that the State Government negotiated the special redundancy top-up payment with the union. The Opposition has overlooked the fact that it was slammed by the timber workers' union for its attitude and for abandoning its mates. Members opposite will be reminded of that on a number of occasions. The Opposition has overlooked the fact that the Government is continuing to negotiate with the receivers and managers of Whittakers to re-establish a viable timber operation at Greenbushes. However, if members opposite achieve government, it will make not a scrap of difference because the town will go back to zero and members opposite will not support a viable timber industry.

Members opposite should not ask me any more questions about what is happening at Greenbushes or Nannup, because they do not care. Under their policies, there will be no resource security for these towns or timber operations. Perhaps the Labor Party has overlooked the fact that, as part of a \$3m forest enhancement program, the Department of Conservation and Land Management has employed 37 former Greenbushes mill employees on forest enhancement work, such as thinning of regrowth stands of jarrah to provide the sawlogs of the future. They are also working on the recreational site development at Golden Tree Valley Park, the Wrights Bridge camping area and the Barrabup Pool near Nannup. Selective memory is a speciality of Labor Party members.

They need to be reminded of the other ways in which the coalition Government is helping workers; for example, the employment of 50 new forest workers throughout the south west to assist with fire control. Perhaps they should also consider the 10 000 hectare expansion of the Maritime pine plantation for next year. That means that the Manjimup nursery will be one of the biggest tree nurseries in the world. It employs 90 people and will supply an additional 15 million seedlings. The net benefit is that the coalition Government is meeting its commitment to fight salinity, generate employment and reduce dependence on native timber. Obviously, members opposite have forgotten that.

I now refer to Manjimup, which is a key regional centre. It has a population of 7 367 with a median age of 31 years. Again, according to ABS statistics, approximately 600 of these people are directly employed in the hardwood timber industry. I have already mentioned the expansion of the Manjimup nursery, which is now one of the largest tree nurseries in the world. We in Western Australia can all feel proud of that. I attended the climate change conference, and in April next year Western Australia will host a major international workshop at which we can showcase our Manjimup tree nursery.

An announcement was made by the Deputy Premier yesterday, that the coalition has supported the reopening of the Bunnings engineering works at Manjimup. The State Government will provide \$400 000 through the south west industry restructuring program announced by the Government in October. That operation, which closed in September with the loss of 54 jobs, will initially employ 22 people when it reopens. It will continue to provide engineering services to the forest industry, but will also seek new customers in other local industries, including transport, agriculture and the region's growing wine industry. Work is also going on in relation to the Simplot site, and there is potential for other assistance packages for projects which will help build new employment opportunities. That is not bad for a coalition which, according to the Opposition, has sat on its hands, done nothing and provided no support for the workers in that time.

Of course, in the transitional stage those workers may find themselves out of work as a result of the subsequent decision on karri and tingle logging. That is a transitional phase, and \$41.5m cannot be spent overnight. The process is under way. The Government is seeking people who are interested in exiting from the industry, and who decide that from 2003 they do not want to be involved in a new value-adding industry and do not want to take part in the new restructuring. We have time to seek out those people who want to exit the industry. We have begun that process and some companies have put their hands

up and are going through the assessment phase at the moment. The Government is working with companies which are already interested in looking at restructuring, retooling and the like in respect of the forestry industry structural adjustment program guidelines. The Government developed those FISAP guidelines in conjunction with the industry. Members opposite talk about discussion, discussion, discussion - I say it is consultation, consultation, consultation. If we did not go down that path, members opposite would say there was no consultation. Members opposite are hypocritical and schizophrenic.

In summary, I make the point that we have done many more things. The Government has done far more than the few things I have identified. It has brought together all of its departments and agencies. The Government is meeting the needs of those communities as and when those needs fall due. It will not all happen overnight. Homeswest has increased its activities in the region to provide support to affected workers. The Department of Training has committed resources and funds as part of its mature age employment program to assist former employees to gain alternative employment. A special resource kit and web site has been prepared and they are valuable for information, not because people might necessarily find themselves in that position now, but so they have that information at hand if there is that level of uncertainty. They can then inquire and work through what they might need in the future. The information gives them a bit of comfort, confidence and support at a time when members opposite are creating a lot of uncertainty. Members opposite are offering those workers total devastation. It is an absolute joke for members opposite to come into this House and say the Government is doing nothing for workers when there will not be any timber workers when the Opposition is finished with the south west timber communities and the timber industry. All the work the Government is doing with people in Greenbushes, Nannup and the other towns will be for nought if the Labor Party ever gets into Government. It says it will stop all logging of old-growth jarrah, but it has not indicated which of those coupes it will cut down between now and then. The Labor Party will save all the high conservation value forests and guarantee all the jobs to 2003. It has no idea. Members opposite have a total lack of understanding of what makes up the timber industry and those south west communities.

The Government is in a transitional phase of moving out of native forest towards plantations and it is planting in excess of 30 million trees a year. That is important not only because of the transitional stage from native forests to plantations but also it is particularly important for our salinity problems. Further, a Regional Forest Agreement coordinator has been appointed and he spends considerable time in the region. He stays down there and works within the towns; he works with the local authorities and individual companies and workers on an as needs basis. The Government has also directed all public sector agencies to maintain services in those regions. The Government is meeting the needs and providing timely assistance to the workers and those south west communities, and it is doing more than that. It is an absolute nonsense for members opposite to suggest that they could do better. We know what they would be offering. They would take \$100m out of the south west communities, destroy 3 400 jobs overnight and also cut down the areas which they are identifying and falsely selling to the community as being of high conservation value which they will attempt to protect. We know they cannot do all of that at the same time.

MR OMODEI (Warren-Blackwood - Minister for Local Government) [5.14 pm]: The motion states -

That this House condemns the failure of the Government to provide timely and proper assistance to workers affected by the Regional Forest Agreement.

Before I respond directly to the motion, I will digress and give members of the House a history lesson. In 1986 I was involved in local government; I was still farming and I was very concerned at the direction the then Labor Government headed by Brian Burke was taking. The Government had just established the Department of Conservation and Land Management and had decided to stop logging 53 000 hectares of the State, an area known as the Shannon River basin. The scientists told us that there was nothing special about the Shannon River basin apart from the fact that it was a whole river basin.

Mr Osborne interjected.

Mr OMODEI: It had some pine trees and plantations of *eucalyptus muelleriana*, the yellow stringy-bark.

Mr Riebeling: Do you think we should chop it down?

Mr OMODEI: As the member interjected, I will tell him that in the Shannon River basin there was a town called Shannon River. There was a mill in the town and from 1950 to 1970, 70 coupes were cut in that basin. That regeneration is about 50 years old and probably needs some thinning. There is still a camping ground where the townsite was, and an old golf course.

However, the reason I am in this place today is that issue of the Shannon River basin. The seat was held at that time by the Labor Party by 13.5 per cent and the sitting member was Dave Evans who was highly regarded in the community and a former minister for Forests and Agriculture. I told the Government of the day that I believed its direction was wrong and that it would impact on the timber industry's long-term future.

Mr McGowan: Were you a member of the ALP?

Mr OMODEI: I have never been a member of the Australian Labor Party; there is not a socialist bone in my body. I subsequently told the then Premier that I would run for Parliament if he did not do the right thing by my community.

Mr McGowan: What a threat!

Mr OMODEI: He must have been quaking in his boots as members can imagine. I say that quite flippantly but I finally decided to run for Parliament. We did not have a large campaign and achieved a 12 per cent swing; we lost the election by

197 votes. The Government continued on its merry way and had it not been for the leaders' fund and promoting members and the WA Inc years, I would probably still be a farmer today. However, in 1989 I stood for election. We won that election by 10 per cent and I currently hold the seat by 15 per cent. I think the pendulum is probably swinging back the other way. However, in those days when it came to matters of forest management plans and timber strategies there was a strong bipartisan arrangement in the Parliament. The Labor Party held that seat for many years mainly because of the support of the timber workers. That was the old Labor Party in those days. Since the Burke days and in these new Rhodes scholar days of leadership, the Labor Party is only a shadow of its former self.

Mr McGowan: That is why they call you "chip", not for woodchips but because you have a chip on your shoulder.

Mr OMODEI: The member should bear in mind that I had no vested interest in the timber industry at all. I was a farmer; I had friends -

Mr McGowan interjected.

Mr OMODEI: I thought I was a reasonably good farmer. The point is, in those days the Labor Party supported the worker - the timber worker, the mine worker. Members should ask themselves who the Labor Party supports today? It supports every airy-fairy organisation in the community which members can think of. We are faced with this conflict in the community today because the Labor Party deserted its true constituency and went for a green vote and disaffected people in the community who might have voted its way. Environmentally it would be better if we still had a bipartisan approach to timber management plans whereby we got sensible, rational management. We talked about the member for Fremantle who strangely is not in the House at the moment; nor is the Leader of the Opposition. They consider this to be an important issue but they are not in the House. In the days of former minister Hodge when we talked about the jarrah cut, 680 000 cubic metres of jarrah were cut.

When the member for Fremantle was Minister for the Environment, the cut was 590 000 cubic metres of jarrah. The RFA proposes a jarrah cut after 2003 of 286 000 cubic metres. Likewise, the karri cut is to be reduced. Karri regenerates readily. Many of the large coupes which are regarded as sensitive old-growth forest are a long way from the tourist centres. I implore members opposite to visit the areas to form a good understanding of the situation. Sooner or later the pendulum will swing the other way and, heaven forbid, members opposite will be in government. The member for Rockingham is a very young fellow, and he may be old when he reaches government; nevertheless, he must understand the environment and the sustainability of this industry and how karri forests regenerate very quickly.

I will not restate the articulate comments of the Minister for the Environment on the Government's assistance and proposed assistance to industry. It is important that members opposite understand the importance of a bipartisan arrangement. The world log-chopping champion was outside Parliament House today imploring the member for Maylands to adopt a bipartisan approach. The Tasmanian Labor and Liberal Parties have come together on this issue. I was disappointed that the member for Maylands did not stay outside Parliament to be filmed and photographed with the Minister for the Environment. A genuine person, who is a world champion and champion of the timber workers, and who recognises that a bipartisan arrangement would solve this problem. It is a regret that the Labor Party has adopted a line which has divided communities across Western Australia on this issue.

We are discussing a sustainable industry. Everything we do every day of our lives impacts on the environment. The only people who do not impact on the environment are forest and timber workers who live and work in a sustainable industry which regrows.

Mr Riebeling: Did you say that you ran an election campaign on the Shannon River basin issue? You are now asking us to adopt a bipartisan approach with you. What is the difference? You lost - that's the difference!

Mr OMODEI: No. The Government of the day still closed access to the Shannon River basin and, against the wishes of the south west community, set up CALM. Members opposite are now trying to split CALM and chop off Dr Shea's head, the person they appointed to put the organisation together. The professionalism of the officers who worked with the former Forests Department, Fisheries, the wildlife and national parks authority resulted in CALM becoming one of the best land managers in the world. As it is politically convenient, members opposite now seek to split up CALM. Despite the Labor Party's decision on the Shannon River basin, bipartisan support was evident in this place at that time for management plans and timber strategies. That is not happening now. Bearing in mind that the RFA was initiated by a Labor Prime Minister, was followed up by another Labor Prime Minister, and followed through by a conservative Government nationally, one would expect the state Labor Party to get behind the concept to make it work. Rather, it seeks to make political gain by dividing the community and deserting timber workers.

The member for Fremantle referred to the performance of the Leader of the Opposition in front of a few hundred timber workers on the steps of Parliament House. That was the greatest act of treachery I have ever seen a political leader impose on supporters of his party. He went out there shaking like a leaf. What an effort!

I have given enough of a history lesson. The motion refers to "timely and proper assistance to workers affected by the Regional Forest Agreement". Let us take the agreement and consider what happened in the timber industry. The Whittakers mill collapsed as a result of financial problems in that organisation. The company did not provide redundancies for those workers, and a question mark arose about superannuation for the workers. The Government stepped in.

Mr Riebeling: What did you do about it?

Mr OMODEI: As the Minister for the Environment explained, the award rate for redundancies was two weeks' pay for every year of service up to 20 weeks. The Government increased that redundancy package to three weeks' pay for every year of

service, up to 54 weeks. At least workers had some money. Also, the Government is actively negotiating with receiver managers, bank managers and proponents in an effort to have the mill start operating again. We hope a decision will not be far away.

The Bunnings engineering works did not collapse as a result of the RFA. A decision was made by Bunnings-Wesfarmers to close down those works. We put in place a package, as the Deputy Premier announced yesterday, to start up that business again, albeit on a smaller scale.

Mr Pendal: Where do you draw the line on when to prop up an operation? It is extraordinary.

Mr OMODEI: The Department of Commerce and Trade supports many industries across Western Australia. The Government is trying to resurrect an engineering company which provides a service to that community. How did the RFA affect those companies? Whittakers Limited fell over because of the financial collapse of the company, and Bunnings engineering works was closed down by Bunnings-Wesfarmers for its own reasons.

The Government signalled that it will stop logging old-growth karri and tingle, which will have a huge impact on the Pemberton community. We acknowledge that and are putting in place mechanisms to create jobs to replace the Pemberton jobs to be lost. One hundred people work in the mill at Pemberton, and the logging division still operates. There will be a significant impact on that town. My prediction is that within the next 12 or 18 months, we will develop a centre of excellence in Greenbushes and Nannup to value-add jarrah. We will draw on the already high recovery rates Bunnings achieves at Dean mill to create a centre of excellence in Manjimup.

The difference between the Labor Party and the coalition on this issue is that the coalition has stepped back and decided to stop logging in sensitive old-growth forest, and to stop woodchipping in karri and tingle forests. The Government has put in place a logging plan which is currently being reviewed by government and an expert group. The difference between the coalition and the Labor Party is that come 2001, should the Labor Party win the election, members opposite will stop all logging in old-growth karri and jarrah forests. That will mean absolute devastation for the communities of the lower south west. It will mean the closure of not only the Pemberton mill, but also Dean mill - a major jarrah mill - and Yarloop. Also, Nannup mill will not have enough resource, and the Manjimup processing centre will also virtually collapse. That will have a major impact on not only Manjimup, Pemberton and Nannup, but also the entire south west economy.

The ACTING SPEAKER (Mr Barron-Sullivan): Order! One member has the call, and we do not want other debates taking place in the Chamber.

Mr OMODEI: The collapse of Simplot and Whittakers had nothing to do with the RFA. Bearing in mind that people are fully employed in Pemberton and Nannup, an impact will be felt in Pemberton a few years down the track when logging is cut back to an area of 50 000 cubic metres per annum. Members can comment on whether I should represent my electorate, but my area has had a major industry in BHP close operations in Augusta, Simplot close operations in Manjimup, and Whittakers and Bunnings engineering works close. The Government moved quickly and offered workers immediate personal financial counselling, and a retrenchment coordinator was established in Manjimup and Greenbushes. It is recorded that every worker took advantage of those services. Workers under the Simplot scheme undertook training and advice regarding curricula vitae and job applications.

All workers had their skills accredited and were advised on managing their redundancy payouts. They were given personal advice on their career and training. The Government found jobs for the retrenched workers at Greenbushes, as the minister has already mentioned, in relation to jarrah thinning and some of the tourism facilities. Jobs were found at Preston Vale vineyard and Simcoa Operations Pty Ltd. Three support groups were established which provided personal, health, housing, education and personnel counselling. The Minister for Family and Children's Services allocated \$55 000 for the counselling programs in the south west. There were small business response and community development workshops.

I will table reports for members, which I have selected from my file. They include the minutes of meetings of 3 September. The first document relates to a Regional Forest Agreement employment and training and response task force. The second covers the business and commerce subcommittee meeting of the South West Development Commission. The third relates to the South West Development Commission RFA consultations. They record examples of some of the things we have done.

[The documents were tabled for the information of members.]

Mr OMODEI: The Ministry of Housing has made available an officer in its Manjimup office to assist inquiries from families affected by the Regional Forest Agreement and closure of the timber industry businesses. This service is available to callers from Greenbushes, Nannup, Bridgetown, Boyup Brook, Pemberton, Northcliffe and Manjimup. Information will be available on rental, housing assistance, bond assistance for private rental accommodation, home ownership loans, refinancing of existing home ownership loans, government employee housing for country employers and housing transfers.

Mr Riebeling: Is that for all workers?

Mr OMODEI: This assistance has been set up for those who have been retrenched as a result of the RFA. I am responding to the accusation that this Government has not provided timely and proper assistance to workers.

In addition, the Ministry of Housing has provided assistance to businesses that employ retrenched workers, which will receive a concessional loan to house new employees. Any business initiative undertaken in these towns in the next two years, which engages retrenched workers, will receive low interest finance to keep families in the area. Low interest loans will be provided to local authorities that may wish to implement projects or schemes to assist local families. Businesses that currently rent for themselves and their employees may take the opportunity to purchase should the owners wish to sell. For

the businesses wishing to relocate to alternative towns, finance will be provided with concessional loans of up to three per cent below bank rates for the first two years. Information covering that assistance is provided by the Manjimup office of the Ministry of Housing.

To recap, we have provided priority rental assistance for families wishing to move to other towns to seek employment; bond assistance; assistance for those with existing Ministry of Housing loans so that they can restructure the loans and refinance them through Keystart; assistance to timber workers in mill housing to buy properties, should they require that; and information on government employees housing. We also have established a telephone hotline. We have provided incentives by way of low interest loans for businesses that employ retrenched workers. We have given assistance to provide housing for new workers; to business initiatives to take on retrenched workers in affected towns in the next two years; and to local authorities to implement projects that could assist families.

Representatives from Family and Children's Services meet regularly in the south west communities. A full-time project officer has been appointed to the department to respond to the needs of people. Consultation meetings are held with all health and welfare providers across the region. A service based at Bridgetown-Greenbushes has been established two or three days a week. Increased funding of \$10 000 has been provided to the south west counselling service. An interagency information and promotion service will be held at the Manjimup Horticultural Expo to be held tomorrow, 18 November. Resource packs and the Warren-Blackwood resource directory for all service providers, including medical practitioners, are due to be launched on 24 November. The department has coordinated voluntary agencies to assist in the preparation of Christmas hampers. A focus has been placed on a needs assessment regarding counselling services, youth, accommodation and housing, and also providing housing for those suffering depression. The department now has representation on the human services subcommittee, a consultative committee, which is working to coordinate responses and address issues.

We have forged links in Pemberton via the child health clinic for parenting and support. We have established a wide range of parenting supports and education across the region until 2000. It pays to remind members that we have provided timely and proper assistance as a result of the RFA process. A parenting information and resource centre will be developed in Manjimup in 2000. A brand-new Family and Children's Services centre will be opened in Manjimup, at a cost of \$1.3m. We will continue to provide leadership information and support for service providers in 2000.

In relation to responses from other agencies, the presence of Anglicare financial counselling has been increased, as have the services by south west counselling programs. Three redundancy coordinators have been provided and a human service subcommittee is addressing issues across the region, looking at gaps and responses. Programs are in progress.

Members opposite should acknowledge that the collapse Whittakers Limited and the Bunnings engineering works decision were not resultant on the RFA, and that the decision to cut back on old-growth karri and tingle will result in major retrenchments or possible redundancy in the Pemberton townsite. That is a major issue. By putting in place all of that assistance over the past three months - it has been only four or five months since the decision was made - we will achieve a very thorough system to help any family, let alone those who are affected by the impact of the RFA. The minister has given a commitment that 20 000 cu m of first grade jarrah will be available to continue the mill in Nannup. It is still operating, cutting the allowable cut; that is, 40 000 cu m a year. There will be a component for value adding and a centre of excellence, because the Government has promised and committed to the 20 000 cu m of first-grade jarrah for Nannup.

In relation to the Pemberton timber operation, the decision will be made at the end of the contracts. If the Government wins the election, the contracts will go to 2003. We will have a logging plan that the cut will be in the area of two-tiered forests, rather than in the sensitive old-growth forest areas. At that point, the Bunnings and Wesfarmers groups will have to make up their minds whether they will receive a part of the 50 000 cu m of karri that is left over in the RFA process. They may come up with a new initiative to keep that mill operating. It has a major bandsaw which breaks down large logs. If large logs are not available, there are two small log lines in that mill, one that operates with a computer-based circular gangsaw. It is very high technology. The other has a twin bandsaw that cuts slightly larger logs. It may be able to keep the mill going on a part-shift basis. We will not know that until those decisions are made.

Further to that, the Premier has given me the authority to negotiate with the Bunnings group on the 68 mill houses in Pemberton which it owns. The land belongs to the State Government under a very long-term lease of 999 years. The Bunnings group owns another approximately 40 hectares of freehold land. It has been a good corporate citizen in Pemberton in days gone by in providing land and assistance for community projects in that area. We hope to come up with a package, should the mill close down in 2003 or sooner, for the timber workers who have lived in the town. It is a rather complex situation in that some people have lived in timber mill houses for a short time, some have lived in them for many years, and some live in their own homes. I am determined to find a process whereby, working with Bunnings and Wesfarmers, we can provide a package for those workers. Next week, on Saturday, 27 November, a planning day will be held in Pemberton. The whole of the community is getting together to look to the long-term future of Pemberton. I will be opening the planning session. Backing up that community are projects being proposed by the South West Development Commission, including a hydro tourism project, based on the old hydro-electricity dam at Pemberton. There is a proposal for a cable car-type sky train project for the Pemberton pool, and other projects are on the drawing board. The Regional Forest Agreement consultative committee, which has representatives from all of the shires, the Chamber of Commerce and Industry of Western Australia, the WA Timber Workers Union and the Pemberton progress group, currently has 28 projects on the drawing board. Obviously, many of those will not come to fruition. All of them are in a system in which there is a reference committee made up of Treasury, Commerce and Trade, Training and one other which I cannot recall. That committee will deliberate on what assistance packages may be available to those potential industries.

In Manjimup, there are currently two proponents to take over the Simplot Australia Pty Ltd factory. Those negotiations are

at an advanced stage, and I understand a decision may be made today on the sale of that project. Dealing with the horticultural and packaging export industries in Manjimup, the Manjimup apple export syndicate has just won two major export awards. It has grown exponentially since the Simplot demise. It is understood that it will cover the job losses as a result of the Simplot closure within 12 or 18 months. A number of options are being explored, including potato seed export and expansion of other horticultural products, and there are the apple, dairy and beef industries as well.

Although confidence has been low as a result of decisions that have been made, many projects are in train that will provide a good future for the people of Manjimup. For the Labor Party to come into this place and accuse the Government of failing to provide timely and proper assistance to workers affected by the Regional Forest Agreement clearly shows how out of touch the Labor Party is with what is happening in country Western Australia. Members opposite should take a trip to the south west to inform themselves of the situation. If they want me to, I will host a trip for them. All this type of motion does is to seek to divide the communities more than they are already.

MR BROWN (Bassendean) [5.42 pm]: I have listened with interest to the comments of the Minister for the Environment and the Minister for Local Government. They would both have us believe that the coalition Government is concerned about workers and that it has made a range of policy decisions during its period in office which have been designed to assist working people. Let us reflect for a moment on some of the decisions that have been made by the coalition Government to give so-called help to working people.

In 1993, Mr Acting Speaker (Mr Barron-Sullivan), before you were in this place, the coalition Government enacted the Workplace Agreements Act. That was sold to the public and working people on the basis that it would provide choice in the workplace. Workers were told by the coalition that if they voted for the coalition, they would have a choice of working under a workplace agreement or under an award. Since that time with many private employers, and particularly in government, workers have had no choice. If a worker wants a job, he or she must sign a workplace agreement. As a result of that, we have seen in this State, through a report produced by the Commissioner for Workplace Agreements, that some 25 per cent of workers, as a minimum, are now worse off. They now receive an hourly rate of pay lower than the hourly rate of pay under the award for equivalent work. Yet, in opposition to this motion, the coalition says that it is a Government for workers and does many great things for them. I have some difficulty believing that, because the Government has passed legislation whereby one in four workers who sign workplace agreements are worse off. That is the history.

Here at Parliament House, the classic case was that of security officers employed under contract with a contract security company. The last company, Chubb Protective Services, lost the contract because its workers were paid under the security officers' award. The company that won the contract, New Breed Security - it is now called Tango Securities - won it because it pays its people under workplace agreements. Its people are paid 20 to 25 per cent less than the security officers employed by Chubb. When we asked the security officers what happened on the Friday night, they said that they took off the Chubb uniforms and put on the New Breed uniforms. The problem is that although they did exactly the same job and worked a few extra hours, they got 20 to 25 per cent less pay. That is the situation under the legislation that the coalition introduced. This is not about people standing still; this is about people going backwards and taking real wage reductions. Yet, the coalition says in this place in respect of the RFA that it is doing these things because it has the interests of the workers at heart.

Mr Cowan: That is right.

Mr BROWN: It has forgotten about them in other areas. I will deal with some of them. First, what have we seen in the public sector with this Government which professes to have empathy with working people? We have seen 10 000 jobs go. Has there been any concern about what happens to those redundant workers and the redundancy money paid to them? Has there been any concern about what happens to those workers' communities? There has been none. We have asked relevant ministers what has happened to those workers, whether they have done any destination surveys to find out what has happened to them and whether they are now employed anywhere. We have asked whether those people have jobs, what those jobs are and whether they are earning the same as they were earning when they were in government employment. The answer to all of those questions is that the ministers do not know. No destination surveys have been done. We have not seen one iota of concern for working people.

Who changed the superannuation arrangements for government employees? Who closed down the contributory scheme for government employees and thereby reduced the superannuation contributions and the end-of-life superannuation amounts that government employees might receive? It was the coalition Government that chopped off that opportunity. It was an anti-worker provision, and the coalition Government was responsible for that. Who destroyed the workers compensation system in this State? Despite being warned in 1993 about all the problems that would occur as a result of the workers compensation changes, who refused to listen? Who has now pushed through the Parliament massive changes to the workers compensation legislation to the detriment of working people in this State? The coalition Government has done that. Yet somehow, when it comes to the south west, the Minister for Local Government and the Minister for the Environment say that they are doing these things and taking these initiatives to protect working people. It would be the very first time that any policy decision has been made by the coalition to look after working people. Maybe it wants to look after some working people in a coalition seat. Maybe it has not quite explained the distinction between working people in a coalition seat, whom it wants to look after, and other working people. I can tell members that in terms of looking after working people generally, the coalition has failed.

The Minister for the Environment and the Minister for Local Government referred to the redundancy package that was offered to timber industry workers - three weeks' pay for each year of service with a maximum of 54 weeks' pay. It is not a bad package; it is a reasonable package of a reasonable standard. Is that now the standard for government employees? No, it is not the standard for government employees. When bus drivers are pushed out of jobs, which are continuing today,

for ideological reasons, do they get access to these provisions? No, they do not. They get pushed into other departments and jobs to which they do not want to go. They are sold a pup. They are pushed around in the public sector and their lives destroyed by the coalition Government. The Minister for the Environment is also the Minister for Labour Relations. I am sorry she is not here to explain why the coalition has adopted a package of 54 weeks' pay for timber workers - I have no problem with that - but a much lesser standard for other workers and government employees.

I would also be interested to know why the redundancy provisions of the Minimum Conditions of Employment Act enacted by the coalition Government, which professes to have the concerns of workers at hand, prescribe exactly nothing. We have some difficulty in believing the Minister for the Environment and the Minister for Local Government when they say that they are concerned about working people and that they have implemented these packages for working people. We think it is much like the mirrors and smoke of the 1993 election. We think it is like the promises that were made to workers at the Midland railway workshops by the coalition Government in the 1993 election. It was a fairly clear promise to the blue-collar workers that the Government would not close down the workshops. Of course, what did we find? Within six months that promise was forgotten and those workers were made redundant. A number of them live in my electorate. A number of them who are over 45 or 50 years of age have never worked again. Their lives were destroyed by the coalition Government; yet, the coalition says, "You must understand that we are making these decisions in the interests of working people." Why is it that when we ask non-government community welfare organisations what is happening to their lists of people who need assistance, we find that their lists are increasing? Why is it that at the same time as the Minister for Employment and Training elucidates how well the jobs market in this State is going, the queues of people coming into non-government community welfare organisations are increasing? They should be decreasing if, in fact, all is going well for working people.

The reality is that under the workplace agreements legislation and the other types of changes that have been implemented by the coalition Government since 1993, we now have a much greater incidence of the working poor. Members need only ask the Salvation Army, Anglicare or any of the non-government groups, to find that the incidence of the working poor is increasing. Many of those people are having to seek assistance from non-government community welfare organisations. Why must they seek that assistance? Because people in this State are now employed on dreadful wages. Under the Workplace Agreements Act, people who are employed as security officers on afternoon and night shifts are paid a casual rate of \$10 an hour; that is, they stand outside the bank or the chemist, keep away any hoods, put their lives on the line, do not have proper training and work at night and on the weekends. What do they get for that under the coalition Government? They get \$10 an hour. I do not know what sort of land the Minister for the Environment and the Minister for Local Government live in, but they should look at the real world of low income workers, who are on \$10 an hour under the coalition's workplace agreements legislation. The security officers who work outside the banks and chemists day and night for \$10 an hour cannot survive on that. The ministers should look at the queues of people who are now the working poor. They should ask themselves why this State has a minimum wage which is \$45 a week less than the federal minimum wage.

The Minister for the Environment is back in the Chamber and I am pleased about that. We are told that this Government is concerned about workers and has done a lot for workers. However, we on this side of the House cannot see it, because the statistics do not show us that, even when we wring it out of the Commissioner of Workplace Agreements and ask question after question - questions which are dodged, ducked and dived. Even the survey conducted by the Commissioner of Workplace Agreements, grudgingly published in December 1998, showed that one-quarter of people on workplace agreements are on lower rates of pay than are contained in the award. We must bear in mind that most workplace agreements do not contain penalty rates and other sorts of matters so the rate is bulked up compared with an award rate that has other payments attached to it. Despite all of that, 25 per cent of people are on lower rates; that is, their wages have been reduced by the coalition. This Government cannot come in here and credibly argue for a moment that it has concerns about working people.

I will pick up the point that was also raised by the Minister for Local Government about a bipartisan approach. Now that the coalition is in power, there are suggestions of our taking a bipartisan approach on crime and other matters. When Labor was in power, there was no interest in a bipartisan approach. If members looked at, and believed, the coalition's 1993 election statements on crime, they would think that Western Australia was a lawless State and that crime was out of control. Of course, all was forgotten after the election, and crime has gone through the roof since then. Was there a bipartisan approach? Was there any attempt to come to a middle ground to work a way through the problem? No, there was not. Were people political about it? Of course they were. However, now that the coalition is in government, it says, "Let us have a bipartisan approach and work together on these issues." It does not quite work like that.

Mr Cowan: We have noticed.

Mr BROWN: That is right, it does not work like that. Even when we take a bipartisan approach, as we did last week when we offered to have a select committee with a majority of government members to investigate the fruit and vegetable markets in this State, the Government said no. It was not interested in members of Parliament working and coming together to solve problems.

Sitting suspended from 6.00 to 7.00 pm

MR MASTERS (Vasse) [7.00 pm]: In speaking against this motion, I will start by telling a story. It is a shame that not more members from the Labor Party are in the Chamber. It is a bizarre story, but it is also a bit of a worry. Members will recall that in the past two or three weeks there has been a major controversy in the south west because the Department of Conservation and Land Management has been accused of cutting down a king jarrah tree. The accusation was made by Peter Robertson of the WA Forest Alliance, and I have obtained some information about that. The tree was cut down about 18 months ago after it had been assessed by a qualified forester from the Department of Conservation and Land Management.

He assessed it as an old tree, diseased, affected by fire, and unsafe. On this basis it was cut down and the main part of the trunk was taken off and is in the yard of a fine wood processor. It has only just come to everyone's attention because Ian Phillip Lynch advised Peter Robertson of the WA Forest Alliance only recently that the tree had been cut down. I believe Ian Phillip Lynch is the subject of an alleged breach of forest regulations involving the theft of logs from native forest. It appears he dabbled in CALM to try to get even because he was caught in the middle of an illegal activity within an area of native forest. That is bad enough in itself, and a little bizarre.

However, I am concerned because I am informed that Ian Phillip Lynch is also the Busselton branch president of One Nation. It concerns me that the extreme left wing of the green movement - the WA Forest Alliance - is at the beck and call of the extreme right wing of the political spectrum in Australia, namely One Nation. One of my major concerns about the way in which the Regional Forest Agreement has been politicised is that we are driving the communities of the south west away from the major parties and into the arms of One Nation. I will refer to that again.

Some time ago in this place the member for South Perth pointed his finger at the opposition parties and said that if it was so easy to resolve the forestry issues, as opposition members appeared to be claiming, why were those issues not resolved when the Australian Labor Party had 10 years in which to do so when it was in government between 1983 and 1993. That comment is still accurate. The forestry issue is extremely complex, and it is not just an environment issue; it is also a social issue. As the member for Warren-Blackwood pointed out, the livelihood and fate of whole communities in the south west are at stake at the moment because people have lost confidence in their future. The end result is that without confidence, no matter how much the Government supports them - whether it be a coalition Government or a future Labor Government - they will not have a future because a positive attitude is a very important part of the whole process. If the resolution of these forestry issues is so easy, why did the ALP not do it when it had its 10 years of opportunity?

Another issue I raise dates back a few months, and relates to the claim that the Government should have been severely embarrassed because within the so-called protected forest areas are areas that do not carry trees. The accusation was made when it was revealed that areas of water, heath, wetland, scrub, rocks and other non-forest types were included in the RFA. It was said that this was a travesty of justice because everyone knows that the agreement was to protect forests and not other areas. The truth is that without those other different ecosystem types, the forests would be biologically depauperate and of far less environmental value than they are today. There is a basic principle in biological science dealing with the edge effect. For example, a large area of forest will support a certain range of plants, animals, birds, invertebrates, fungi and other species. An area of heath, which is completely different from forest, will provide a habitat for a range of plants, animals, birds, flora and other species. However, a large area of forest next to a large area of heath contains not only the species found in forest plus the species found in heath. The variety of habitat created along the edges between the two different ecosystems provides habitat for a far greater range of species than would be found in a monotonous forest environment plus a monotonous heath environment. The Government can be proud of the fact that within the protected forest areas of the south west there is a diversity of ecosystems. Those ecosystems, many of which are non-forest areas, create the biological diversity that many people in Western Australia and around the world believe it is important to protect.

The motion refers to timely and proper assistance to workers affected by the Regional Forest Agreement. Let us go back to basics. Why do timber workers need assistance? One reason is that this Government has had the courage to make some tough and difficult decisions that the Labor Government did not have the guts to make between 1983 and 1993. It is important to understand that, to a certain degree, this is a problem of our own making, but it had to be made because some important values needed to be protected in the RFA area. I again pose the question: Why do timber workers need assistance? It is partly because of the continued uncertainty that the ALP and the anti-logging brigade, including dress designers and Australian Football League coaches, have thrown over the industry and its future. The people I have mentioned do not have environmental goals in mind; they have political goals in mind. For example, the ALP is not particularly interested in protecting the environment per se, but it is very much interested in trying to win the votes of environmentally conscious people in Perth who will be amenable to green policy changes. I have no doubt that the ALP will lose votes in the south west, and potentially in the whole of rural Western Australia, because it is abandoning workers and whole communities. However, the ALP is looking more at the potential votes that will be generated in Perth than at the environmental values that will be protected.

The goal of the environmental movement - and I am focusing here on only a small proportion of the forest protesters and people who are concerned about environmental issues in our forests; therefore, I am talking about what I call the radical greens - is also not to protect the environment because it is, like the ALP, trying to achieve political change in Western Australia. By creating divisions in our community and by creating economic hardship in the communities that are being affected by its anti-development and so-called pro-environment activities, an increasing number of people will be forced on to social security, and, in the end, those people will vote for the party or parties that will promise them the largest proportion of taxpayers' funds.

I ask those members who do not believe me to look at what happened in Tasmania in the 1998 federal election. Most people would agree that in economic terms, Tasmania is almost a basket case. It is losing population, it has the lowest standard of living of any State of Australia, and it has one of the highest crime rates and, I am sorry to say, one of the highest suicide rates of any State in Australia. Economically it seems to have no future. One would think that under those circumstances, the people of Tasmania would turn to the political party which for something like 50 years has been recognised as having the best credentials to create jobs and economic wealth. However, what did Tasmania do in the 1998 federal election? It elected only ALP members to the House of Representatives. In other words, the State that is considered to be the greenest State in Australia and the economic basket case of the nation defied logic by going to the ALP, which I recognise has great credentials in social welfare and in other matters on that side of the equation, and rejecting the Liberal-National Party coalition which is generally accepted to have the best economic credentials.

I repeat my question: Why do timber workers need assistance? Another reason is the continuing disruption by forest protesters to the legal logging activities that have been authorised by the State of Western Australia. I hear from many people in my electorate that they have no problem with protesters making the point that they do not agree with the logging activities that are taking place, but they disagree very strongly with those forest protesters affecting the economic viability and livelihood of a large number of people within the timber industry. I have been advised that I am not allowed to use the words "hypocrisy" or "hypocrite" when talking about a fellow member of Parliament, but I find the attitude of Dr Christine Sharp in the other place to be arrogant at the very least. I refer to an article in the *South Western Times* of Thursday, 21 October, entitled "MLC to fight plan for protest camp busters". The article is about the State Government's decision to create regulations to allow for the removal of forest protest camps. The article states that Dr Sharp said she labelled the structures, such as tents, tripods, tarpaulins, logs, ropes, chains and locking devices, as "an essential component" of the conservation campaign. Therefore, she is critical of the ability of government to remove those items. She said also that protest camps and lock-ons have been an essential component in the struggle to change forest management priorities in this State, and that she is appalled by this move to silence the protests. The article states also -

Dr Sharp said conservationists remained concerned about the status of jarrah forests and using equipment to prevent logging was one way to force the government to renegotiate.

These regulations will prevent protest camps as we know them and they have had a very legitimate role in forcing the government to address some very important issues but that is not complete and yet they are seeking to stifle the protest before they have completed fixing the problems.

The arrogance that is displayed in those quotes is amazing. Dr Sharp is saying that the only form of legitimate protest is one that stops a legal activity from occurring, and that to stop a legal activity from occurring will force the Government to renegotiate and do something. I have no problem with any form of non-violent protest. However, it is reprehensible to engage in a violent protest by locking-on to equipment to prevent it from being used for legal logging activities and to thereby commit economic vandalism by preventing people from carrying out their activities.

The green movement has said that unless we accept everything it says, it is not interested in any other outcome. I refer to an article in *The West Australian* of 8 November entitled "Green groups leave coast panel". It states -

Conservation groups in WA have pulled out of a central coast marine park advisory committee . . .

The article states also that WA Conservation Council coordinator Rachel Siewert said-

She feared the pro-industry view would cut the conservation voice out of the development of marine protection zones.

In a letter to Environment Minister Cheryl Edwardes Ms Siewert said the conservation groups' representative, David Sutton, had worked with the committee for almost two years. But there was neither a mechanism nor the will to make sure the views of all members were considered and incorporated.

The arrogance of that last statement defies logic. What the Conservation Council is saying is that if all its views are not incorporated into, in this case, the coastal management of the proposed Jurien Bay marine park, it will take its bat and ball and go home. I thought that anywhere else in the world, the green movement would want to sit down with the rest of the community and argue its case, and if its point of view had been appropriately considered, it would be up to the broader group of which it was a member to incorporate those parts of its view which it considered to have validity and justification. However, the green movement in this State is saying that if we do not accept everything it says, it will take no part in it. That is quite unacceptable.

What are some of the consequences if, as the Australian Labor Party wants, members accept a destruction of the timber industry by totally protecting old-growth forests? I see three consequences. The first is large areas of wilderness would be created in the south west of Western Australia. I have always had a problem with the concept of wilderness because it implies that there are no tracks or access ways into these large areas, there is no management, no aeroplanes are allowed overhead and no four wheel drives are allowed in them and so on. Instead, those areas of wilderness are forever protected from human interference. The only people who can go into them are the moderately young and very fit people. In this modern day and age, that excludes a wide range of people, which I find elitist.

The second consequence of total protection of all old-growth and high conservation forest as demanded by the Western Australian Forest Alliance and others is forest management would be more difficult and more expensive. Forest management as it occurs today creates roads which not only take tourists in but also take in foresters and other managers of our forested lands. Without those roads, access becomes difficult, the burning of the forests at the appropriate time to protect against uncontrolled burns is more difficult and more expensive, the risk of bigger wildfires is far greater and in turn the environmental destruction caused by a major wildfire event is profound. The more forest we lock up and the fewer roads and the greater protection offered to forests in general, the greater the environmental destruction over time unless there are very significant increases in the funding arrangements for those forests.

The third consequence that I see of the Australian Labor Party and the Western Australian Forest Alliance's call to protect all old-growth and high conservation forests is there will be a far greater reliance on tourism or so they say. This sounds fine but it is at best a misguided belief and at worst it is a con trick. The truth is there are only a limited number of tourists and therefore only limited tourist dollars are available for the south west of Western Australia, dollars which come out of the pockets of Western Australian and interstate tourists. There cannot be any more than there is at the moment unless we create a bigger pie. I will get to that in a minute. To give members an example of how finite and restricted the tourist

industry is - and the Deputy Premier will recall this - I was at a launch of the regional development policy in Bunbury some months ago and after the Deputy Premier made his presentation, someone at the back of the audience put up his hand and said "Mr Deputy Premier, thank you for the commitments that you are making to tourism and related initiatives in the south west but I have to let you know that when CALM went out and created the Treetop Walk at Nornalup, it basically spelt economic disaster for the Pemberton tramway tourist development" because tourists stopped going to Pemberton to use that facility and transferred their limited amount of money to Nornalup and the Treetop Walk. The pie was not made bigger and we were simply moving the money from one area to another. To give members another example, in August I went to south east New South Wales to visit timber towns which had been affected by timber mill closures over the past 10 years or so. One town I visited was Cooma. In the past few weeks, Cooma has celebrated the fiftieth anniversary of the Snowy Mountains Hydro-Electric Scheme, a great initiative. However, the business development manager of the Cooma Shire Council said that after timber mills were closed in the area over the past five to 10 years, they looked at what they could do to create regional employment in their area. All the tourists from Canberra, Sydney and Melbourne go through Cooma to the Snowy Mountains for their skiing where the accommodation is very expensive. The people of Cooma decided to offer top quality but cheaper, better value-for-money tourist accommodation. Cooma now has a significant proportion of tourist accommodation for people going skiing in the Snowy Mountains. Cooma did not create any extra economic wealth overall; it simply transferred wealth from those ski resorts such as Perisher in the Snowy Mountains to Cooma.

The conclusion must be that tourism is not the universal panacea. We have only two real potentials to expand that tourism pie. The first is to increase the number of international tourists who come to this country and this part of the world - new people and new money. The second thing we must do to increase the size of the tourism pie is put more dollars in the pockets of Western Australians so that they have the economic ability to go into the south west, recreate and spend their money on activities which create economic employment in the tourism industry for those people affected by timber mill closures. Unfortunately, the Australian Labor Party Opposition is not supportive of the wealth creation principle. For example, it is not doing a great deal to get native title issues resolved and obviously it has some inherent difficulty with the privatisation of Westrail Freight and AlintaGas - two things which will create more jobs and greater wealth for Western Australians.

In conclusion, in my view the Australian Labor Party and the greens have no compassion for timber workers in the south west. They are prepared to throw away those communities and those jobs in exchange for votes in Perth. I hope the people of Perth can see through the shallowness of the position being put forward by the radical green movement and the Australian Labor Party. I also conclude that when the Leader of the Opposition went to speak to the assembled throng on the steps of Parliament House some time ago and said there would be change to those people's industry, I accepted that. My recollection is that everyone understood there would be change. However, the ALP change is not just change; it is the destruction of the timber industry at least in the short term. The Opposition's Regional Forest Agreement solution is no logging of old-growth or high conservation forests, the end result being a reduction in employment of about 3 000 to 3 500 people in the south west. That is not change; it is destruction of that industry and those communities. The only potential future those communities could look forward to in the absence of something like an expanded tourism industry would be some 10 to 15 years away when hardwood plantations would potentially come on stream to allow a new range of industries. The question is what happens between now and then. I do not know and certainly the ALP and the greens do not know. This Government is being very responsible in trying to reach that position 10 or 15 years from now in a way that will not destroy those south west industries.

I further conclude that the ALP is pushing people in the south west into the One Nation Party camp. I will make a prediction that at the next state election, which is 12 to 18 months away, a number of upper House members will be elected under the One Nation banner. I further predict that most of the pain and seat losses will come from the Australian Labor Party and potentially from the National Party. I would prefer not to see the One Nation Party get members elected but I fear we will go through the Victorian scenario whereas the only way of registering a protest, people voted for the only parties that did not seem to be tied in with the major parties. The result today is that in Victoria three Independents between them allow a minority Labor Government to run that State. I do not have a problem with that; that is the Victorian electors' decision, and that is great. However, I do not want to see that happening in Western Australia. I especially do not want to see the One Nation party having the balance of power either in this House or the other place.

I cannot vote for this motion. I believe that the Government is doing a very good job in meeting the social and community needs of workers in the south west who are affected by the Regional Forest Agreement and the Premier's subsequent changes to forestry management practices. I believe that what the Australian Labor Party and the Western Australian Forest Alliance are proposing is not an evolutionary change to the south west economy and its community structure but a revolutionary change. As history has shown, almost every revolution has failed abysmally.

MR COWAN (Merredin - Deputy Premier) [7.31 pm]: Before I make some comment about the motion, I hope that you, Mr Deputy Speaker, will allow me to make some comments on the remarks of the members for Vasse and Bassendean. It behoves me to remind the member for Vasse that one should never be selective in the material one uses when making a judgment about election outcomes. If we want to talk about the result of the Victorian election, the member for Vasse needs to look at how many National Party and Liberal Party members lost their seats. I will remind him that far fewer members of the National Party lost their seats in regional Victoria than Liberals. His prediction has shortcomings and will be found to be wanting. He should not be selective in the way he chooses to interpret election results and data.

I have a message for the ALP. The member for Bassendean made some comments which I saw as a genuine attempt by him - as genuine as he can be - to seek to restore the position of the ALP as the champion of the workers. That is his right. However, my view is that Kim Beazley Snr was right when he made his famous comments so many years ago. The first part of his comments is quoted quite often. He said, "When I first attended the conferences of the ALP, I met the cream of the

working class." That quote is often used by the ALP. What is not often used is what came next. He went on to say, "Today when I attend those same conferences, I meet the dregs of the middle class." After that he said, "When is the ALP going to recognise that it has a right and a responsibility to ensure that it is not regarded as the cultural spittoon of the middle classes and go back to representing the working class?"

Mr McGowan: What year was that?

Mr COWAN: It was shortly before his retirement from politics.

Mr McGowan: It was 1975.

Mr COWAN: I cannot remember the time when Kim Beazley Snr retired from politics. I think the ALP has taken to heart those comments by Kim Beazley Snr; certainly the member for Bassendean has. He is doing as much as he possibly can to demonstrate, somewhat belatedly, that the organisation he represents in this Parliament is indeed seeking to represent workers. However, he has a difficulty, and the difficulty rests with the general policy decisions that are made by the Labor Party. I find this motion quite extraordinary. The policy proposals of the ALP are predominantly built around no logging in old-growth forests, and I ask every member in this House to tell me how that will protect the workers in the south west of this State. All of the people in the timber industry would suffer significant consequences from that decision alone.

At a slightly later stage I would like to deal with the Regional Forest Agreement, but let me compare that ALP policy of no logging in old-growth forests with the accelerated logging program which has been put forward by the coalition Government. The accelerated logging program gives at least some comfort to the timber industry, inasmuch as the jarrah cut of 286 000 cubic metres is to be preserved. What will be reduced is the cut from the karri forest. Some people will argue about that issue, but at least the accelerated logging program provides a basis for a timber industry in Western Australia, whereas no logging in old-growth forests provides practically nothing for one simple reason; that is, the majority of forests in Western Australia are, of course, mixed forests. If that embargo is placed on old-growth forests, we would automatically have to reduce the jarrah cut - I am no expert but I would think by between 35 and 40 per cent. That would have a very significant impact on the jarrah industry and I suspect that the karri timber cut would reduce quite dramatically as well over and above that which is contained in the accelerated logging program that the coalition Government has put forward.

I also find it somewhat incongruous that the House is being asked to condemn the Government for its failure to provide timely and proper assistance to workers affected by the Regional Forest Agreement. I accept that the RFA commenced on the day it was signed, but its impact does not take effect until 1 January 2004. Of course, everybody knows some implications have arisen as a consequence of the RFA. The first of those is that a company was in receivership, and had been for quite a number of months. The receiver-manager decided that he would terminate the employment of those people directly employed by Whittakers Limited sawmills. That meant that because the company was in receivership, those people had no capacity whatsoever to be offered redundancy payments by the company. Everybody knows that when a company is in receivership, the Australian Taxation Office comes first and the employees and their welfare come about last, probably even after unsecured creditors. Mr Deputy Speaker, I see that you are shaking your head, so I will bow to your wisdom and say maybe employees come just in front of unsecured creditors, but they are a very long way down the list. In order to show some compassion and to demonstrate to the Federal Government that it is prepared to honour its commitments and look to the exit programs and the adjustments that were made to the forestry industry in other States, the State Government has demonstrated that it will match the redundancy payments that were generally being offered. That has already been indicated by the member for Bassendean. If my memory serves me correctly, the compensation is three weeks' pay for every year worked to a maximum of 54 weeks. Whittakers Limited was closed by the receiver-manager, not because of the RFA but because he felt that it would be no longer appropriate for him to continue the operation of that mill. He could have continued the operation of that mill until 2004 but for one issue; that is, the fact that the company was in default with a contract between it and the Department of Conservation and Land Management. When the default notice was served on the receiver-manager - quite outside the RFA process - he made it clear that the mill would be closed.

I will make some comment about the RFA before I move on to the other action taken by the Government to demonstrate to the member for Maylands that it has deep concern for those involved in the timber industry and its associated service industries. Most people accepted the fundamental principles behind the RFA: It is a reservation process and at least 60 per cent of the forest should be set aside in reserves. The next principle is that a scientifically-based assessment of the sustainable yield of the remaining productive forest should be undertaken. Everyone agreed with that.

It is regrettable that the RFA did not meet with broad acceptance in the community. As a consequence, the Government had to implement an accelerated logging program to achieve a position that was far more acceptable to all but those who have very strong conservation values and who accept nothing other than complete cessation of logging in any shape or form, and there are plenty of them.

However, the other issue causing difficulty for the timber industry was logging practices, particularly in the karri forest. It has been known for a long time that selective logging in the karri forest is the most inappropriate method of extracting timber. Clear-felling is by far the best method because it more effectively encourages regeneration of a balanced forest. Even though most people accept that, they do not accept clear-felling in coupes of 40 to 80 hectares. That was not favoured by the public, so the Government had a problem. That has been in part resolved by the accelerated logging program. More detail will be announced on that when the Ferguson committee report is taken on board by the Government and its recommendations are absorbed and implemented.

As I said, the RFA will not have any direct impact until 2004. However, there have been some consequences of decisions made in anticipation of that by companies or, in the case of Whittakers Limited, by the receiver-manager. We must also consider the Bunnings engineering works. Whether it was right or wrong, the parent company - Wesfarmers Limited -

decided that the engineering works would be closed. It had always been listed as a loss maker on the books. That was more contrived than actual because I do not know of any company that charges out the type of skilled work delivered by that engineering works at \$36 per hour; most would be charging well in excess of \$50 per hour and probably closer to \$60 per hour. Had that been done by the Bunnings engineering works it may not necessarily have been such a loss maker. Of course, the other complication is that much of the new work that was to be undertaken by the engineering works was associated with the equipment and infrastructure necessary for the drying and value-adding processes undertaken in the karri timber industry. In that sense, one can argue that Bunnings had a point in saying that that work would no longer be required and that it had to review the operations of the engineering works. It could easily have done what the new owners intend to do and it could have done it in house; that is, it could have reassessed the demand for maintenance of existing equipment and perhaps scaled down the operation but kept it running.

As members know, the Government announced only yesterday that Cutts Transport Pty Ltd will be supported in taking over the engineering works. It will initially provide 22 jobs. As more work is done in value adding in the timber industry, even though the total volume of timber to be cut will be reduced, there is likely to be a greater demand for maintenance of the equipment and machines required to dress timber for use in the high value-adding furniture industry.

A number of other issues demonstrate that the Government wants to ensure that the communities of the south west adjust to the impact that the RFA and the accelerated logging program will have on their communities. Fortunately business activity in the south west is not confined to the timber industry; it has a great number of other diverse industries such as agriculture, horticulture, plantation timber and mining - which has large players such as Alcoa and Worsley, the coal mine at Collie and the mineral sands producers at Capel and areas to the south. A great number of opportunities exist for the Government to give support to industries to accelerate their growth.

I suggest that the Government does not need to give any support to the wine industry to accelerate its growth. The rate of growth of that industry in Western Australia is nothing short of remarkable. Although Western Australia has about two to two and a half per cent of the total area of land set aside in Australia for grape production for wine and it produces in excess of 20 per cent of the nation's premium wines, our proportion of national production is reducing. Anyone who travels the south west or the great southern and thinks that the rate of expansion of vineyards in Western Australia is remarkable should go to South Australia, Victoria and the Hunter Valley to see that rate of growth exceeded. Western Australia is falling behind in its production percentage of the total volume of wine. However, I am very pleased that we are maintaining our position in the production of premium wines, and long may that be the case. As I have said, some issues needed to be dealt with in new or other industries. The Simplot potato processing plant has been closed. The owners of that operation not only closed the operation but also stripped the plant so only the basic infrastructure is left. All the processing gear has been transferred out of the operation. People in the south west who are involved in horticulture still believe those premises will create opportunities for them.

One of the great success stories of Western Australia is the Manjimup Apple Export Syndicate. Members who attended the Western Australian Industry and Export Awards - I know the member for Bassendean was there - will know that the Manjimup Syndicate Coolstores Co-op Co Ltd won two awards. It has grown significantly. It has expanded in its current premises, although it has been in operation for not much more than three years. It now needs to expand again. I look forward to entering into negotiations in the near future with the Manjimup Apple Export Syndicate and a number of other major players to ensure we can maintain some industry that provides a level of growth in horticulture in that part of Western Australia. That, too, will provide employment opportunities. Although the motion talks about providing timely and proper assistance to workers, it is most important that all people who seek to be in the work force have jobs and can stay in the work force. The issues that the Government has addressed, either through the committee which has been established and works under the chairmanship of the local member, the Minister for Local Government, or industry assistance - for example, redundancy payments for Whittakers' timber workers - will allow these people to stay in the area and look for jobs in the region.

In addition, we are seeking to provide those jobs and opportunities through the support given to Cutts Transport Pty Ltd to re-establish the Bunnings engineering works at Manjimup, and by accelerating the road-building program so that good black-top roads will allow tourists from Perth who visit the west coast region ending up in Margaret River, to return via the inland route, rather than driving back on the same road on which they travelled down. That will add to the buoyancy of places such as Pemberton, Manjimup, Bridgetown, Donnybrook and the towns on the inland highway.

There is also a need in the future - the Minister for Local Government referred to this, as I am sure the Minister for the Environment would have also - to deal with the Nannup timber mill to ensure it becomes a fine wood centre. It is a matter of securing an adequate resource to allow that to occur and ensuring we can put in place the necessary expertise to guarantee the mill can be operated and the right quality of products can be delivered to those who want to be involved in the fine wood industry in the Nannup region.

I do not think one could accept that this motion should ever be agreed to by the House. It is acknowledged that the Regional Forest Agreement had some difficulty in gaining credibility within the broader public. We have acknowledged that by introducing an accelerated logging program. We have responded to the consequences of some decisions made independently by, in the first instance, a receiver-manager and, in the second instance, by Bunnings in closing its engineering works. We will certainly respond to the decision by Simplot to close its operations in the south west, which has had an effect on employment. We believe all the decisions we have made with respect to support for specific industries are dedicated to ensuring that, in the first instance, people remain within the area and, secondly, there will be a job for them when the engineering works and the timber mill at Whittakers Limited are recommenced. Like other members on this side of House, I urge all members to reject this motion.

MR PENDAL (South Perth) [7.55 pm]: I did not intend to speak in this debate, and I do not intend to support the motion. I will comment more out of sorrow than anger at some things said by some government members in this debate. It appears to me that the government members have forgotten that this matter started to be put to bed more than 20 years ago. The Government of Sir Charles Court, ironically, made the decision in 1978 to decrease reliance on the native forests that were being over cut. The Government of that day set Western Australia on a course that communities throughout the world have been coping with for 30 years: It decided to have a vigorous timber industry, but in future the greater part of that industry would rely on plantation timber. The Government under Sir Charles Court - a Liberal-National Country Party coalition - made decisions which resulted in the closure of mills in the south west.

Mr Omodei: Which mills? You don't know. You are a great pretender, the political eunuch!

Mr PENDAL: The minister has had his say. That Government closed mills, and if the minister does not know that, he will go on lemming-like to the cliff, and what is more, taking a whole lot of good people with him. I do not even mind that he sticks up for his electorate - good on him. I am surprised that many other people are prepared to accept that the minister will help to lead them to their political extinction. What I am saying is correct. The minister should look at what Sir Charles Court and June Craig did. They made the tough decisions which, as far as I can work out, applied for five, six or seven years. Then successive Governments began to undo them.

Let us look at what has happened in our lifetime in a similar environment, in agriculture. Twenty-five or 30 years ago people were penalised if they did not clear their properties. Then society woke up and clearing bans were brought in. I was a journalist at the time. I recall that Graham MacKinnon was the Minister for Water Supplies. He nearly lost his job because he introduced clearing bans in the south west, saying, "The game is up. We know we have always had the attitude that it is your land and you can do what you like with it." Modern science and all of the problems with salinity and water caught up. Now, the farmers in this generation understand that more than most people.

I find it sad that members are still expressing views in this debate tonight, clinging to them like grim death, in the hope that they will be able to turn back the tide of history.

During his remarks, my good friend the member for Vasse was poking fun at footballers and dress designers. What does that mean? Does that mean they do not have a view or that they should not have a view when the jobs are being lost in someone else's backyard? That is absurd. When hats went out of fashion, people lost their jobs. People lose their jobs for many reasons. However, instead of listening to the whinges of the member for Warren-Blackwood -

The DEPUTY SPEAKER: I ask the member to take his seat. Eight o'clock has arrived. Under Standing Order No 61, I will adjourn the debate until the next sitting of the House.

Mr Barnett: With your indulgence, Mr Deputy Speaker, I think there is only about 30 seconds to go in this debate. This motion could then go to a vote and be concluded.

The DEPUTY SPEAKER: The Leader of the House is happy to prolong the debate.

Mr Barnett: If members would like this motion to go to a vote, I think it would suit everyone.

Mr PENDAL: I will be brief. Not for the first time has a community and a society had to face structural changes. However, the people who are holding out false hope to those often lowly paid timber workers are the people who should accept much of the blame for the city versus country -

The DEPUTY SPEAKER: Unfortunately, the ruling I made was in error. The only way we can proceed is to suspend standing orders. The Leader of the House will have to move a motion to that effect; otherwise I will adjourn the debate.

Standing Orders Suspension

MR BARNETT (Cottesloe - Leader of the House) [8.01 pm]: I move -

That so much of the standing orders be suspended as to enable debate to continue until 8.10 pm.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [8.02 pm]: The Opposition supports the motion moved by the Leader of the House. He has taken an action which would accord with the wishes of members to have a vote on this matter to bring about its resolution, rather than adjourning the debate until the next sitting week. It is perhaps an unfortunate aspect of the standing orders that the Deputy Speaker was required to make the ruling that he has made and that I am consequently required to support this motion until such time as an absolute majority can be established in this House to allow the motion moved by the Leader of the House to be carried. I am delighted to support the motion moved by the Leader of the House.

The DEPUTY SPEAKER: I have counted the numbers, and I am satisfied that there is an absolute majority in the House. I will put the motion. If I hear one dissenting voice we will divide.

Question put and passed with an absolute majority.

Debate Resumed

MR PENDAL (South Perth) [8.03 pm]: It seems to be an awful lot of trouble to go to so that we can wind up the debate in seven minutes. However, I also thank the Leader of the House.

The DEPUTY SPEAKER: Members, we only have until 8.10 pm, so please listen to the member on his feet.

Mr PENDAL: The solution to the structural unemployment that will occur in the south west, as I said before, is not in

hanging like grim death to an industry that will not survive in its present form. I am surprised, with all the imagination and creativity on the Government's side, that more effort has not been put into seriously bringing about those alternatives that will sustain people in long-term employment. The member for Warren-Blackwood, who spoke earlier today, would know from his own childhood that there was once a thriving business in tobacco in and around Manjimup. Why is there not a thriving industry in tobacco any more? Two things happened. First, the economy played a part because it was no longer economic to continue producing tobacco in the south west, based on Manjimup, and, secondly, social mores played a part. This occurred at a time in the late 1950s and 1960s when there was increasing evidence that smoking tobacco leaf was bad for people's health. Society adjusted. It was very sad. Some people went out of business. Some people who had been in tobacco growing for generations had to adjust.

We hear people say every day in this type of debate that it is grossly unfair that we are not taking into account the financial and economic futures of people who will lose their jobs. However, the people who were making those plaintive calls in this debate did not say that they could not threaten the economic livelihood of people who will be affected by privatisation, for example. I have been a member of Parliament for long enough to know that huge parts of the public sector have been structurally readjusted and people have been put out of work. We did that in the name of economic rationalism to give us a better and more efficient economy.

We are 20 years past what we should be talking about. I spoke to a retired forestry officer from New Zealand who lives in my electorate and who frequently gives me advice based on his experience. I remember the first conversation I had with him two years ago when he said, "I cannot work out why Western Australia is having this debate. We came to grips with this in New Zealand 30 years ago with far less timber resources than this country has." Communities all around the world have had to come to grips with a declining resource or a resource that society has said it is better to keep than to pull down. We have seen that not only with the tobacco industry, to which I have made reference, but also with whaling. It was sad to see people put out of work in Albany 20 or 25 years ago because of the decision made by the Federal Government. If one looks at Albany today, there are more people in the work force than there were 25 years ago. It has a vigorous local economy, and much of that, incidentally, depends on tourism. Manjimup and the south west are not the only places that have been asked to readjust. We would do the people of the south west the biggest favour and give them the biggest service by putting aside this divisiveness that has been promoted by some members of the Government and replacing it with creative minds which will produce a structural change in the south west that is capable of producing jobs. I cannot work out, incidentally, how there are any fewer jobs in plantation timber than there are in the native forests; yet, the course that was set by, of all people, a conservative Government 21 years ago was diverted from by successive Governments to the point which we have reached today - we are back to square one. I repeat that I do not intend to support the motion for the reasons I outlined. However, I implore the Government to get the monkey off its back and to do it quickly.

Question put and a division taken with the following result -

Ayes (15)

| | | | |
|--------------|----------------|--------------|-----------------------------|
| Ms Anwyl | Mr Graham | Ms McHale | Mr Thomas |
| Mr Brown | Mr Grill | Mr Riebeling | Ms Warnock |
| Mr Carpenter | Ms MacTiernan | Mr Ripper | Mr McGowan(<i>Teller</i>) |
| Dr Edwards | Mr Marlborough | Mrs Roberts | |

Noes (27)

| | | | |
|--------------------|--------------|-------------|------------------------------|
| Mr Ainsworth | Mr Cowan | Mr Marshall | Mr Trenorden |
| Mr Baker | Mr Day | Mr Masters | Mr Tubby |
| Mr Barnett | Mrs Edwardes | Mr McNee | Dr Turnbull |
| Mr Barron-Sullivan | Dr Hames | Mr Minson | Mrs van de Klashorst |
| Mr Bloffwitch | Mr House | Mr Omodei | Mr Wiese |
| Mr Bradshaw | Mr Johnson | Mr Pendal | Mr Osborne (<i>Teller</i>) |
| Mr Court | Mr Kierath | Mr Shave | |

Pairs

| | |
|---------------|-------------------|
| Mr Cunningham | Mrs Hodson-Thomas |
| Mr McGinty | Mr Board |
| Mr Kobelke | Mrs Parker |
| Dr Gallop | Mr Prince |
| Mr Bridge | Mr Sweetman |

Question thus negatived.

APPROPRIATION (CONSOLIDATED FUND) BILL (No. 3) 1999

Consideration in Detail

Resumed from an earlier stage of the sitting.

Schedule 2 -

Debate was adjourned after schedule 2 had been partly considered.

Mr RIPPER: I will discuss the item for Justice in schedule 2, which lists an amount of \$18.1m. I again draw the Premier's attention to his media release of February 1999 in which he announced funding increases for Health, Education and Justice

following what he claimed to be a review of the State's financial position. The paragraph in the press release dealing with Justice states that the Government has injected an additional \$11m into the Ministry of Justice budget to help house the increasing number of prisoners in custody and to assist the victims of crime. The explanatory memorandum contains no mention of assistance for victims of crime. There seems to be a different explanation in the explanatory memorandum from that which was indicated in the Premier's press release. I have no argument with that section of the press release which refers to the need to house increasing numbers of prisoners. That is certainly backed up by the information that is in the explanatory memorandum. However, the claim that the additional money was put into the Ministry of Justice budget to assist the victims of crime is not backed up by that explanatory memorandum.

I now turn to the written questions and answers which we received from the Premier earlier today. With regard to the \$18.1m for Justice, we asked whether any supplementary funding was provided in 1998-99 to help victims of crime; and if so, how much was provided and where it is stated in the explanatory memorandum. The answer states that victims of crime are funded by way of a standing appropriation under the Criminal Injuries Compensation Act and are not the subject of supplementary funding under this Bill. Consequently, there was no statement on this issue in the explanatory memorandum.

We find a real difference between the explanation given in the Premier's media release and the information provided in the explanatory memorandum and the information provided in a written response to the Opposition's questions. I think that the Premier was announcing additional funding for Education, Health and Justice, and that the additional funding for Justice was to be provided to house prisoners. The Premier or someone in the Premier's office wanted to make his press statement look a little more user-friendly from the point of view of the public. The public is not notoriously sympathetic to increased funding for prisoner accommodation. Consequently, an additional line claiming that some of the additional funding was for victims of crime was thrown into the press release. In fact, if members look at the other information that has been provided to the House, it would appear that none of the additional funding was provided for victims of crime. The whole reference to victims of crime was a bit of a media spin which was put on the Premier's announcement. I would like the Treasurer to respond to my remarks and explain why there is a difference between what is in his press release of 26 February 1999, what is in the explanatory memorandum and what is in the written answers provided to this House.

Mr COURT: The member for Nollamara wanted to know why the money that was paid to the Western Australian Meat Marketing Corporation was not mentioned in the annual report that was just tabled. That money was paid to the Western Australian Meat Marketing Corporation on 16 August, as approved by the Minister for Primary Industry. The funds were allocated to facilitate the transition of the Western Australian Meat Marketing Corporation into the Western Australian Meat Marketing Cooperative Ltd and to assist in financing capital works and ongoing working capital requirements. In 1998-99, an extra \$5m was put in for victims of crime.

Mr Ripper: Why is that not listed in the explanatory memorandum?

Mr COURT: Because it is a standing appropriation.

Mr RIPPER: A standing appropriation flows from a piece of legislation that may have been passed years ago. It does not require a particular government decision. Does the Government normally announce an increase in funding that results from a standing appropriation? The Treasurer has claimed credit for a decision that was not his but was made by the Parliament years ago.

Mr Court: The extra money went in, and the member should be happy with that.

Mr RIPPER: I am happy that extra money was provided to victims of crime. However, the funding for victims of crime is driven by their entitlement under an existing piece of legislation, and the Treasurer has claimed credit for providing that funding, which is why he has not been able to mention it in the explanatory memorandum or the written answers that he has given to us.

Mr Court: The courts were working quicker.

Mr BROWN: I have a question about the Treasury contribution of \$5m to the cyclones Elaine and Vance trust account. I can understand why that amount was not in the original budget, because the Government cannot foresee these things. A range of projects in Exmouth have been approved by the committee in Exmouth but are awaiting government approval. I have asked the Premier questions on notice about which projects will be given government approval and which projects will not be, and the Premier declined to answer those questions; there were a lot of words on a piece of paper that purported to be answers but that were not answers. I would like to know what projects in Exmouth have been approved and what projects will be approved. Separately, the Premier visited Onslow after the cyclone and had a meeting with the residents, and the residents reported to me that the Premier gave them certain assurances about the assistance that would be provided to cope with the damage that had been caused by the seawater flooding in the town, particularly the damage to gardens and palm trees. The Water Corporation has denied liability for that seawater flooding, but we have yet to see the report about that matter because the Minister for Water Resources has refused to release that report despite his undertaking that the report will be released. The Premier would appreciate that some of the gardens damaged by the seawater flooding as a result of the collapse of the bund or seawall during the cyclone are quite expensive and cannot be replaced for a few dollars. The residents understood that the Government would be forthcoming with money to enable them to rehabilitate their gardens and to carry out other necessary repairs. They have not been able to do that on the paltry amount that has been made available by the Water Corporation. They are keen to know whether moneys will be made available through the trust account for this purpose or through the Water Corporation. That money has been allocated and the Parliament must now approve that allocation, and I am keen to ensure that before we approve it, we know on what it will be spent.

Mr COURT: I have given this Parliament regular updates about the projects that have been approved in Moora, Exmouth and Onslow. Is the member asking which projects that have not yet been approved will be approved?

Mr Brown: A committee has been set up, and it made a series of recommendations.

Mr COURT: The committee has done an outstanding job in working through the projects. The member has been given the latest information on the projects; I think I gave that to the Parliament a week or so ago. With regard to the seawater flooding, I admit I cannot give that answer. I will make inquiries with Hugh Samson, who has been overseeing the matter with the Water Corporation people. I am aware of the issue, because the sea broke through and flooded many houses, and I inspected those houses and gardens. I cannot give an answer because I do not know the detail, but I will get it for the member and find out the latest information. Does the member want me to provide again a list of all the moneys that have gone out?

Mr BROWN: My recollection is that my question on notice related to recommendations made by the committee. I do not question the good work of the committee. I understand that a series of projects have been recommended by the committee, for which no response has been received from the Government. My parliamentary question, which may not have been phrased that well, requested an outline of the projects that have been put before the committee, which projects the committee had approved and which projects the Government had approved. Therefore, people will know the projects suggested - a variety are involved - and those projects approved by the committee, so people know which ones passed first base, and those projects which were approved or not approved by the Government.

Mr Court: All those approved by the committee were approved by the Government. We will get that information again for you. However, it is not proper to provide information on all the applications made and whether they were rejected or accepted. Some quite unusual cases went in which the committee rightly rejected.

Mr BROWN: I do not seek details on applications made in relation to individuals.

Mr Court: Are you mainly interested in the salt water issue at Onslow?

Mr BROWN: I am interested in two things. In relation to Exmouth, I am interested in, but I do not seek the details of, applications made by individuals in relation to personal matters regarding homes or whatever. I do not seek information about claims made by businesses which suffered a loss through the cyclone and made a claim which was or was not granted. I do not seek that such information be placed on the record of Parliament. I seek information on projects which may be considered to be town infrastructure projects or community infrastructure projects; that is, projects which belong to everyone. I seek information on ideas not only to replace what was there previously, but also to give impetus to the town. I seek information on projects approved by the committee and those approved by the Government.

I seek helpful information concerning Onslow, for which two separate issues are involved. The first is the culpability or otherwise of the Water Corporation when it worked on the seawall or bung, as it was referred to by the responsible minister.

Mr Court: It was to do with the deep sewerage. At one point it went through a rock bung.

Mr BROWN: That is right. I have correspondence from people who live directly opposite that wall and who explained in considerable detail what happened. They saw the sea water coming and precisely what happened. They have no doubt that the work on that bung was not done correctly, which resulted in the seawater flooding. The minister says a report indicates that that is not the case. Let us see it. The people of Onslow have not been able to see the report. Let them see it and examine it.

The next question relates to the undertakings that the residents of Onslow tell me the Premier gave them when he visited the town shortly after the cyclone. It is important to separate the two issues.

Mr COURT: I was away for a moment obtaining an update on the report. The Government will provide the information on all the projects that have been approved. I think that everything that has been approved has been paid.

Mr Brown: What about outstanding projects up for consideration?

Mr COURT: Hang on. We wanted all applications to this fund to be handled quickly and all the money to be sent out quickly. The idea was to have money circulating in the community. We wanted any money left after all the personal and business claims were made put into some community infrastructure. Those decisions are being made by local people as councils are represented on the committee. It has been a terrific operation. I think nearly all the money has gone out. The committee can fund some community projects. I will give the member a list of funded projects, and if there is a list of projects which have not been funded, and it is possible to make it available, I will provide it.

The report on the Onslow matter, as I understand it, indicates that the water came through the bung; also, it says that when the sewerage was put in, the Water Corporation did everything to properly restore the bung. Is the report public?

Dr Hames: No, it is not. However, \$15 000 was made available - \$500 a house - ex gratia to those residents.

Mr COURT: All the houses along the front are built on the beach, including the caravan park; therefore, they cop the full brunt of cyclones. Did the member see it himself?

Mr Brown: Yes.

Mr COURT: The member would have seen boulders as high as my waist on people's front lawns which had been moved 50 metres. People had new rock gardens formed. It was powerful stuff. The minister indicated that residents were provided \$500 a house for the purchase of trees. I will obtain more information from the minister and provide that to the member.

Mr BROWN: I appreciate that the Treasurer was seeking advice when I raised my second point. Two issues relate to Onslow. The first is the Water Corporation issues we have discussed. It is true that the Water Corporation made an ex gratia payment or payment in kind, whatever one calls it, of \$500 a household for the damage. However, residents have a strong view that the money will go nowhere near the cost of repairing the damage to their gardens, front yards and the loss of trees. The salt water came into the town and swept into Third Avenue. It is not just like flooding, which drains with a little ensuing flood damage. This salt water went into the ground and sat there. It damaged the plants. When I visited some time after the cyclone, I saw the effect of the salt water. It is not a flood with some erosion to be fixed up with everything replanted.

Mr Court: It is below sea level.

Mr BROWN: I do not know.

Mr Court: It must be if the water floods came in from the sea.

Mr BROWN: I do not profess to understand how cyclones work - it is beyond me.

Mr Court: It is like the brand new salt works. All of its walls were designed to handle certain cyclones and floods and the like, and they were broken through.

Mr BROWN: That is right, and I will tell the Treasurer what happened to the contractor who built it.

Mr Court: What?

Mr BROWN: He is not there any more; he is gone. A new contractor built new walls.

Mr Court: Yes, it has put the project behind a couple of years.

Mr BROWN: Absolutely it has; and that is what happened in relation to that matter. I am pleased that the Treasurer will look at that matter again as the residents of Onslow are very keen for that report to be released. Leaving that to one side, there is another issue which relates directly to this trust fund. The residents tell me that when the Treasurer visited Onslow, he gave them assurances about the funds that would be made available to them for rehabilitation or repair purposes and so on. Leaving to one side the Water Corporation's damages claims, the residents raised directly with the Treasurer the issue of damage to properties and asked what the State would do. They were left with the impression - they did not write it down word for word - from the Treasurer that the State would provide funds to repair the damage. Some people in fact say that they met with the Treasurer as a group and these were his words as people asked about their palm trees and other property that was damaged. They were certainly left with the impression, rightly or wrongly, that the State would provide a reasonable level of - I will not say compensation as it is not the State's fault - assistance to overcome the damage that was caused. That assistance has not been provided. They do not believe that the words the Treasurer said, or that they believe he said, have been honoured. They are therefore keen to obtain from the Treasurer an understanding of what the State will do in this regard.

Mr COURT: I will firstly check the matter with the Water Corporation. The Government said that the Water Corporation would meet all of its responsibilities, which it must do, and an independent study would be conducted. Many individuals have received assistance from the trust fund. However, I will inquire into the situation - the Water Corporation is very close to the matter - and I will come back to the member on that question.

Ms McHALE: I have a couple of points I want clarified in relation to page 9 of schedule 2. They relate to page 24 of the explanatory memorandum in regard to the appropriation for the Ministry for Culture and the Arts. The first paragraph of page 24 refers to a saving of \$770 000 by the Library Board of Western Australia. However, the second paragraph states that the Library Board incurred liabilities of \$770 000. One is a saving and one is a liability. I am interested to have those two amounts clarified. Why was the liability not offset by the saving? Why was that apparent saving used to offset another liability?

My second question relates to the 1997-98 and 1998-99 financial years. The Ministry for Culture and the Arts took a majority of its appropriation, hence the individual agencies had a shortfall. Given that it was patently clear that the Culture, Libraries and the Arts Bill would not pass through Parliament by the beginning of the financial year when the budget was set, why was the ministry given the majority of the appropriation and not the individual agencies? It may be a paper shortfall but it seems illogical to appropriate a majority of funds to a body that is not set up by the legislation and then cause a financial and accounting difficulty later on. Can the Treasurer clarify those two points?

Mr COURT: In answer to the second question, a government decision was made to have that restructure. The member for Thornlie is right in saying that the legislation has not been passed by the Parliament, but Treasury was advised that the legislation would be passed and therefore the budget was presented accordingly. The \$770 000 figure occurred because the legislation had not been enacted and was handled in a revenue neutral way.

Mr BROWN: Page 26 of the explanatory notes relating to the Ministry of Fair Trading shows an overrun of \$387 000 mainly attributable to the voluntary severance scheme and one-off costs related to the organisational restructure. What was the nature of that restructure and the severance scheme? Is it now normal practice, if a position is to be abolished and the officer currently in that position finds someone else in the public sector prepared to fill the position about to be abolished, for the officer in that position to transfer to the other position? Can a person, other than the person who holds the office to be abolished, receive the severance payment? In other words, if officer A holds a position -

Mr Court: And gets a severance payment?

Mr BROWN: No. For instance, officer A holds a position, which is position A. Position A is to be abolished, which means that officer A will be out of a job if officer A stays to the end of that position. If officer A finds officer B, who holds position B, and officer A has the skills, qualifications and experience to fill position B, and officer B is happy to transfer into position A, can officer B then be made redundant and take the severance payment? Is that the way it works in the public sector?

Mr COURT: The first part of the question was answered. We received a series of questions and answers which we tabled earlier in the debate. The restructure of the ministry was needed to address the specific objectives and changed role and function of the organisation as detailed in the new strategic plan launched in April 1998. The need for a voluntary severance scheme was identified at a later stage after the finalisation of the 1998-99 budget.

I cannot provide a specific answer to the second question about hypothetical positions A and B. Has that occurred?

Mr Brown: That is my understanding, not in relation to Fair Trading, but generally.

Mr COURT: I will present the example to Mal Wauchope and provide the member with an answer.

Mr BROWN: I refer to page 21 which concerns Transport. The first dot point appearing on the page relates to the closure of MetroBus. I understand this matter was discussed earlier so I will not cover old ground. However, my understanding is that bus operators who were displaced as a result of the contracting out of MetroBus functions have been allocated positions or their names have been kept on a list until they are placed in various departments. They have been offered jobs from time to time in government departments and agencies. Some pressure has been placed on those officers to take positions as they arise. Once they take the positions, if they do not work out in those positions -

Mr Court: They are given permanent employment.

Mr BROWN: Yes.

Mr Court: Isn't that reasonable?

Mr BROWN: There is no trial period. Sometimes people are thrust into jobs for which they do not have all the skills and qualifications or that are not suitable and which have been described in terms designed to convince the employee of one thing, but the job turns out to be something else. In some cases of which I am aware that has caused considerable difficulty because the person is then locked into the position and his only alternative is to put up with it or leave. It is an untenable position for those people.

It is one thing to be given an opportunity to work in a position for a week or a month to see if it is suitable; it is another thing to be encouraged to take a position, but after signing the acceptance form to find it is not quite what was portrayed and to be locked into that situation. I am aware of cases like that. The process operates harshly and unconscionably. Sooner or later the State will finish up with litigation by someone who is game enough and has the financial capacity to take it on.

Of course many redeployed employees are vulnerable and do not have the financial capacity to take on the issue in the courts. Often it is a matter of like it or lump it. Many people try to make do as best they can; nonetheless, grudgingly and at some distress to them and their families.

I raise that because we are referring here not to a situation in which jobs have changed as a result of technology but in which jobs have been lost from the public sector due to government policy; that is, the Government decided to contract the work out to the private sector. I cannot see any reason that those employees should be treated in that poor manner. I understand some pressure is being applied to chief executive officers to minimise their costs; therefore they are keen to push those people into other jobs and other agencies and to sugar coat what could be fairly difficult jobs so that people will accept them.

I raise that in this context because I would like to see the Government review that practice. It is a matter of equity and fairness. I hope the Premier is prepared to give me an undertaking that the Government will review it.

Mr COURT: I am not aware of any examples. Are you saying that has occurred?

Mr Brown: Yes.

Mr COURT: I will certainly raise that matter both with our people handling redeployment and with the Minister for Labour Relations. Is the person still working in the Public Service?

Mr Brown: Yes.

Mr COURT: Are you saying he has taken a permanent position but he is not qualified or happy with the position?

Mr Brown: I am referring to jobs that are sold in a particular way. There are a range of cases, such as people being left in offices with nothing to do, bored out of their brains and being pushed into jobs which they eventually give up in frustration. A range of management devices have been used to force them out.

Mr COURT: I will make some inquiries and report back on the MetroBus redeployees.

Mr RIPPER: I refer to the item in schedule 2 that relates to the promotion of the budget. Page 16 of the explanatory memorandum refers to \$2.9m for Premier and Cabinet. It contains a list of items, including unbudgeted costs of \$200 000 for promotion of the budget.

I asked what was the total cost of the 1998-99 budget promotion and why the actual cost exceeded the budgeted cost. The answer was that the budget promotion involved the distribution of the budget flier to Western Australian households at a

cost of \$214 138 and that the budget promotion was not budgeted for in 1998-99. I referred to the *Hansard* covering the time the budget was brought down. On Tuesday, 19 May 1998 I asked how much money was budgeted for the promotion through glossy brochures and advertising of the 1998-99 state budget; specifically how much was spent producing the glossy brochure on non-recyclable paper that was distributed to households in the previous week.

The Premier replied -

I get this information every year so I have the information available.

He listed the costs which were \$80 000 for printing; \$53 000 for distribution; \$17 000 for writing, editing and print management; and \$2 500 for other technical work and design. The Treasurer also indicated that two more invoices would come in. I see some discrepancy in this information. On the one hand, we are told that the Government did not budget for the promotion of the budget information and additional money had to be provided under the Treasurer's Advance. On the other hand, at the time the budget information was distributed, the Treasurer indicated in the Chamber that \$150 000 had been budgeted for and spent on the distribution of the budget papers. Can the Treasurer explain whether he budgeted for the promotion of the 1998-99 budget?

Mr COURT: I am advised that the member for Belmont is correct; it was not in the 1998-99 budget. It has been budgeted for this year because it is done on an annual basis, and that is why it is in this schedule.

Mr RIPPER: I asked how much the promotion had cost and the Treasurer had that information with him. The Treasurer did not say that the information was in the budget, but the inference was that it was in the budget. It was not. From now on can we expect the Government to spend about \$200 000 on every budget promotion?

One additional point related to some minor funding for the Disability Services Commission. The commission spent the proceeds of asset sales on recurrent purposes, which did not seem to be appropriate. The Treasurer's answer was that it was in accordance with the commission's business plan. Does the Treasurer agree with the general principle of using proceeds from asset sales to fund recurrent services? It would appear that the Treasurer consciously allowed that to happen with the Disability Services Commission.

Mr Court: It was in a non-government organisation and it related to office relocation.

Mr RIPPER: From my memory of reading the written answer, the Treasurer allowed the Disability Services Commission to sell two properties and then to use the proceeds for the funding of recurrent services. I asked why the proceeds of asset sales were allowed for the use of recurrent services. The answer was to the effect that it was necessary for the Disability Services Commission to meet its business plan. Is that something that the Treasurer generally would disagree with or would he agree with agencies being allowed to use asset sale proceeds for these matters?

Mr COURT: The Disability Services Commission has a business plan, a part of which involved the rationalisation of some of its assets. I need to check the amount, but items such as office fit outs, etc, are normally covered in the capital works program. I appreciate the point the member for Belmont makes on the operational expenditure. I will get some more detail for the member on what was spent on those fit outs, etc.

Mr Ripper: I take it that the Treasurer would not agree with the general principle?

Mr COURT: Certainly not. I do not know the specific reason for that within the Disability Services Commission, but I will find out for the member.

Schedule 2 put and passed.

Title put and passed.

Third Reading

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

APPROPRIATION (CONSOLIDATED FUND) BILL (No. 4) 1999

Second Reading

Resumed from 14 October.

Question put and passed.

Bill read a second time.

Consideration in Detail

Clauses 1 to 3 put and passed.

Schedule 1 -

Mr RIPPER: The largest amount in this schedule is \$244m, which is a contribution to the state development fund following the sale of the Dampier to Bunbury natural gas pipeline. This is described in the explanatory memorandum as an amount to be applied towards infrastructure development and other capital works in 1998-99 and out years. In the second reading debate I referred to the allocation of part of this amount to the purchase of computers in government and non-government schools. I expressed concern about the use of the proceeds of the sale of the Dampier to Bunbury natural gas pipeline for

this purpose, but not because I oppose the provision of computers in schools because I think it is a worthy initiative. However, I am concerned about what will happen to this computer program, given the source of funding. Computers have a very short economic life and quickly become technologically obsolete. They must be replaced at frequent intervals. I expect that by the conclusion of the Government's four-year program, there will be a need to begin another four-year program to replace the computers purchased in the first year. However, there will not be another Dampier to Bunbury natural gas pipeline which can be sold in four years' time. I am concerned that it may be difficult for any Government to find the funds necessary to continue this computer program.

It will not be good enough to have a four-year computer program and then stop it. It will be necessary to continue the provision of computers to schools at roughly the same level as the present arrangement. The problem is that the level presently arranged is supported by the proceeds of an asset sale. That is not a sustainable arrangement in the future. I am concerned about what is described as a capital expenditure, but is better treated as a recurrent expenditure, being funded from the proceeds of an asset sale. Computers become obsolete so quickly and there is such a continuing need for the provision of computers that they might be better treated as recurrent expenditure rather than capital works. There is concern about the sustainability of computer provision, given the funding of the initial program from asset sales. Will the Treasurer comment on that and how he sees the funding for computers in education program continuing?

Mr COURT: The member sounds like the chap who will not buy a new suit because the fashion is about to change. There is some truth in what the member said, but this program is putting Western Australian schools at the top level internationally in the availability of new information technology. The money is spent not just on computers. There has been significant expense in rewiring schools, even some of the relatively new schools, for the computers to be installed. Similarly, a great deal of retraining of teachers has been carried out. The program has been so good that many of our schools now have computer technology which is better than that in many businesses, and certainly better than that in most people's homes.

We have learnt from this program that there is a misconception in the community that everyone has a computer at home and everyone is computer literate. Programs have been run in schools during the evenings, and students have taught their parents how to use computers. It has been an eye-opener. I have been to primary schools in the electorate of the Acting Speaker (Mr Baker), where students have taught their parents to use computers. We asked some of the parents whether they had computers at home. Most people said they had one in their car or one on which the kids played Nintendo games or the like. Not that many people have computers with word processing facilities which are connected to the Internet. The number of people with Internet access is increasing and the figure in Australia is double that of last year. As a result of the lessons held in schools, some parents are buying computers. It has had a funny effect, and it has been terrific for computer sales people. The schools are teaching the parents, who then buy a computer.

Mr Thomas: The Education Department should be getting commission.

Mr COURT: The member is right. A typical modern computer, such as an Apple Mac with a printer, costs just over \$2 000. They are very capable machines, and this program has been the catalyst for helping not only schoolchildren, but also parents. As more and more services come online, Australians by and large will be very computer literate.

The point made by the member is right; technology changes and the Government must have a rolling program. The Government has told Treasury in discussions with the Education Department that allocations must be made in the forward estimates. The money put into the computer program is additional to that already spent on computer programs in schools. The note before me states that computers have a life of three to four years, and they are regarded as a capital acquisition. It is not recurrent expenditure, in that the computers cannot be written off in the year in which they are purchased. We must give credit where it is due; we are in the first stage of getting good technology in the schools and we must keep upgrading it so that people are up to speed. This program goes through to 2001-02.

Schedule 1 put and passed.

Schedule 2 put and passed.

Title put and passed.

Third Reading

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

AGRICULTURAL AND VETERINARY CHEMICALS (WESTERN AUSTRALIA) AMENDMENT BILL 1999

Second Reading

Resumed from 14 October.

MR GRILL (Eyre) [9.19 pm]: I understand this might be the last piece of legislation we deal with tonight so I hope we can deal with it with some dispatch. I will endeavour to deal with it in that way. Essentially, as I understand it and as I was briefed by some of the Minister for Primary Industry's staff, this is a machinery piece of legislation in relation to a policy issue on which the Government and opposition parties are in agreement. It concerns questions relating to quality standards for foodstuffs both within Australia and overseas. We have recognised for some years now that Europeans - that is, the European Common Union - have essentially set the standard for the quality of foodstuffs in the world. A number of other countries are following the ECU's lead in this respect. However, that does not mean that everyone follows that lead. There has been considerable controversy between the United States and the European countries in relation to the use of hormones or growth promotants. However, Australia realises that we need to fall into line and accept the standards which have been

put in place by the Europeans. Questions of chemical residues and hormonal growth promotants have been paramount in that respect. Those sorts of residues are largely found in beef and other meat stuffs. I understand that Western Australia does not currently export beef to Europe but we are part of a national system and, as such, must abide by standards which are set nationally. We are currently having some trouble not in meeting the standards, but in recording those standards and demonstrating in a public way the necessary product integrity to see our foodstuffs enter some world markets, especially Europe.

The Europeans are demanding record keeping in respect of the final destination of hormonal growth promotants and things of that nature. To do that, we need to have uniform national controls over the supply and use of those products. As I said, we have some problems in Western Australia in that area because we cannot publicly demonstrate that product integrity due to a defect in our legislation. These matters are regulated by the Commonwealth Agricultural and Veterinary Chemicals Code Act 1984 and its associated regulations. Those regulations established a national registration scheme for the supply of feedstuffs and prescribed substances. In Western Australia that code is adopted by the Agricultural and Veterinary Chemicals (Western Australia) Act 1995. The commonwealth code has been adopted in Western Australia, and the Act I just referred to controls the use of those substances in this State. The national code applies to the importation, manufacture, registration and supply of these agricultural and veterinary chemicals. This Bill intends to overcome a defect in our legislation. As I understand it, the defect came about because hormonal growth promotants were included as an animal feedstuff in the interpretation section of the Veterinary Preparations and Animal Feeding Stuffs Act 1976. Section 24(2) of the Agricultural and Veterinary Chemicals Code Act specifically exempts animal feedstuffs or prescribed substances within the meaning of that Act. Essentially that means under our current legislation those feedstuffs are exempt from the control of the Agricultural and Veterinary Chemicals Code Act; that is, the national code. Therefore, that code does not specifically apply in Western Australia and, in turn, there is an inability to enforce the record keeping of the final destination of hormonal growth promotants.

This Bill is intended to overcome that problem and, as such, the Labor Party supports it. Our food should be accepted everywhere around the world. We should be part of the national code and we should accept that national code. The Opposition supports this amendment to the legislation to ensure that happens.

MR HOUSE (Stirling - Minister for Primary Industry) [9.26 pm]: I thank the member for Eyre, the opposition spokesman in this House, for his support of this legislation. As he rightly says, it is a small but very important piece of legislation which will help us protect the markets all of us have worked so hard to attain over a long time. I do not think there is any need for me to delay the House any longer. My second reading speech and the explanation given by the member for Eyre outline adequately to the House the contents of the Bill. I thank the Opposition for its support.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate, and transmitted to the Council.

RIGHTS IN WATER AND IRRIGATION AMENDMENT BILL 1999

Second Reading

Resumed from 1 July.

DR EDWARDS (Maylands) [9.28 pm]: The Opposition will be supporting the Rights in Water and Irrigation Amendment Bill and when we go into the consideration in detail stage we will be indulging in further discussion with the Government to obtain clarification on some of the points of detail. I will make now some general comments about the Bill and refer to some of the history which brings us to this point. There is no doubt that the Bill is needed. The current legislation was written in 1914 and we need a water and irrigation Bill for the modern era. The Bill also recognises the State's wider obligations. In saying that, I refer to the fact that we are a signatory to the Council of Australian Governments water reform framework agreement. That agreement involves all States in reforming their water systems and looking at their water resource management and making it more democratic. The COAG agreement was signed by the Premier in 1994 and brings two major benefits. First, we will have a more modern plan for managing water resources which ensures the rights of all water users and that the environment is protected.

Secondly, complying with the Council of Australian Governments agreement qualifies the State to receive further grants. The State is committed to water and other reforms. The effect of that commitment through COAG means that the State will get grants of \$1.6b over nine years. Therefore, we will be supporting the Government to meet its timetable with COAG. The agreement requires work in the following areas relating to water: The first is institutional reform, which was obviously done some time ago; the second is ground water management. Western Australia has been leading the way in ground water management and has been instrumental in developing national policies in this area. That project is reflected in that. The third requirement is an integrated resource management framework. I understand that work is progressing on that. We are also obliged to look at water quality protection issues. The Department of Environmental Protection and the Water and Rivers Commission are currently implementing the national water quality management strategy requirements. My understanding is that the State is doing quite well in many areas. The COAG agreement also obliges us to be engaged in public education and consultation in respect of water. Again, we have had initiatives such as the ribbons of blue and other community campaigns. Probably the most important part of the agreement is the tradeable rights in water which ensure the protection of the environment and the sustainable use of water. That is what we are dealing with tonight. It has been said that Western Australia has advanced water allocation and environmental protection management systems but has a very old legal rights and resource management structure, and that major policy and legislative reform was needed to ensure both environmental protection and the development of more sophisticated measurements to deal with water allocation.

The State has been following a three-phase timetable. The first phase established the principles for water rights; the second, which we are dealing with tonight, will change the law and subsequently develop policies; the third is to implement the changes. The Opposition is aware that there has been consultation over this Bill since 1997; indeed, members of the Opposition have attended public meetings and been involved in that process. We are pleased that after that period the Bill is finally here. We have one qualm which I will detail during the rest of my speech. We believe there is still quite a bit of unfinished business. Perhaps the minister can elucidate later, but as far as I am aware we do not know the full story on the capital gains aspect and work is still continuing on the appeal system. Nevertheless the Bill contains significant reforms. I want to quote a paper published in the *Australian Environment Law News - Issue No, 3 1999*. It points out the most significant reforms with the Rights in Water and Irrigation Act. It states that it is -

a statement of objectives for the management of water resources,

a restatement of the basic rights of the Crown and of individuals in relation to surface and underground water resources,

It points out that this is especially for the basic rights of use. The administrative powers of the Water and Rivers Commission to regulate the exercise of those rights in respect of water resources are clarified. We also have the establishment of local water resources committees, which will make local rules governing this right to gain access to water. On top of that we have the making and implementation of plans for the management of water resources. Finally, there is the grant, registration and trading of water entitlements under statutory licences.

When we are looking at the creation of the statutory water resources planning systems, one of the things that must be very clear is the environmental water provision. This is an essential prerequisite before we can move on to the other stages. I understand that the Water and Rivers Commission and the organisation that preceded part of its work, the Water Authority, have been developing these procedures for quite a number of years; indeed, in more recent times the commission has begun to implement the national principles for the provision of water for ecosystems. Nevertheless, I understand from this article in the *Australian Environmental Law News* that some doubt has been expressed about the legal capacity of the commission to consider ecological and environmental protection factors in the performance of its functions. It states in the article that proposed division 3D of part III of this Bill will clarify that and correct any legislative deficiencies. Therefore, in the Bill there will be three levels of water allocation plans - regional, subregional and local, with the subregional and local plans not to be inconsistent with the higher level of the plans.

The purpose of the regional management plan will be to guide the Water and Rivers Commission's general management of water resources in the regions in respect of the definitions of water resource values, the use of the water resource and the integration of water resource planning management with land use planning and its management. Obviously they are extremely important issues to get sorted out. Having this Bill, which goes a long way to establishing the framework to set that up, is a big advance for the State. The subregional management plans are to guide the management of water rights and how they are allocated. Obviously that includes the need to protect the environment before those rights are allocated. Finally, local management plans will deal in a local way with allocating water rights.

According to the *Australian Environmental Law News*, the proposed legislation gives no greater definition of how the commission will determine the environmental allocations of water but it argues that this allocation is covered by the draft environmental water provisions policy for Western Australia. The article points out some of the principles of which the minister would be very well aware and that others of us are learning. These principles include identifying environmental objectives and ecological values, and determining ecological water environments and the environmental water provisions to meet ecological water requirements.

It is fair to say that in the water arena in Western Australia a lot of change has occurred, particularly in the past few years. We are moving forward in a measured way with consultation to meet COAG's requirements. Having said that, I will make a few comments about water for the environment. This has been quite a contentious issue, as the minister may well agree. Certainly having talked to some of the industry people, they are arguing that perhaps we are placing too much importance on this. However, talking to people on the conservation side, they are almost saying that we are not placing enough importance on it. That may mean that the minister has the balance right. Certainly this Bill recognises that we must now formally look at water for the environment. Obviously in times gone by the need for that has been known. During the debate on the original Bill of 1914 members were talking about some of those things as well, but perhaps in a different language.

At the moment it is the Water and Rivers Commission's responsibility to make sure that the water needs of the environment are met and that on top of that the social needs and the demands for economic activity are also taken into consideration. Water is shared by creating allocation plans either for regions where there are a lot of different water resources - for example, all the rivers and ground water basins in the Kimberley - or for individual water resource areas, such as the lower Ord River. After there is an allocation plan, water licences are issued to the users and there is ongoing monitoring to ensure that licences are being utilised in the way they were meant to be and that the whole system of allocation is working to the plan.

Under this new legislation, the commission will be required to explicitly address environmental aspects in all of its plans. It will have to make specific allocations to protect certain water features, such as wetlands. With this legislation these plans will have much stronger legal backing. They will either need to be approved by the minister or, in some cases, by the commission, with the power delegated to it by the minister.

I will now discuss the rights to water in detail. This Bill clarifies the right to control and use water. It is intended to provide a fair mechanism through which water is shared between all users. As time goes by, this issue will probably become more and more contentious. It has been said that the next world war will be about water rights. Although Australia does not have

the same population and demand for water as other places, it is now recognised that water is an incredible resource and one that must be protected.

This Bill will continue the long-established system of vesting water in the Government. However, because of the increased demand for water, the vesting will be extended to include all watercourses, not only those in proclaimed areas.

Until now, in an area in which water is in high demand, the Government has been required to proclaim that area so it can manage the resource through licensing. As people have complained, this has involved a high degree of control and red tape. As a result of the passage of this Bill, water resources will be better managed through a simpler and more flexible system involving extensive input at the local level.

There has been much argument about private rights to water and statements about rights and the way this Bill impacts on them. It is important to put on the record a few statements about private rights to water. In unproclaimed areas, people will keep their right to take the water that they need for domestic or household use or for stock. Local by-laws or licensing will control the way water is taken only if there is not enough water or if the taking of water may cause damage, either to a wetland or aquifer, or to the extent that it impacts unfairly on others.

I will now go through a couple of case studies provided to me by the Water and Rivers Commission that emphasise the value of this new system of dealing with water. The first case study is interesting because it refers to a female. I am not sure why the commission provided this particular case. The case involves a landowner who pipes water from a stream running alongside her property to irrigate one hectare of lawn and garden. However, downstream from this hypothetical property, farmers are using the water for their stock. They argue that during a long, dry summer the water flow might dry up downstream. The person upstream watering her lawns would be okay, but the farmers downstream might not have the water they need to continue their businesses. Under the new laws, the commission or a local management group can declare a water shortage and issue a direction for the upstream landowner to release a percentage of the flow so that everyone can access some water. The percentage would be determined on a fair-share basis. A system involving local input is good. Hopefully, all the local people can get together and work out an allocation that is fair, so the person upstream can still water her garden - perhaps not to the extent she had previously - and the people downstream still have access to the water they need.

Comments are also made about drainage. Another example has been provided to demonstrate how this Bill will provide further controls on drainage. The example given by the Water and Rivers Commission is pertinent. It quotes a hypothetical case in which a farmer has a saline seep on his property. The farmer drains the seep into a watercourse that flows past other properties. The owners of neighbouring properties are involved in a land conservation district committee that is planting trees along the watercourse. The salty water from the seep starts to kill the trees. If I were one of the farmers, I would be extremely annoyed because planting trees costs a lot of money. Under the new laws, the local committee and the commission can make a by-law to prohibit such saline drainage in times of low stream flow. That seems eminently sensible. If the flow is fast, the river and the vegetation can cope with the salt and the farmer can allow some drainage from the seep. However, if the salt will do damage, particularly where trees are needed and people have invested money to improve the environment and their land, obviously regulations should be available.

I turn now to trading. The question is asked why we should introduce trading of water licences. In a number of areas of Western Australia the available water is fully allocated. I understand that the Water and Rivers Commission has recently had to refuse applications to take water because the water in those areas is fully allocated. If we have trading between users, in a fully-allocated area people can trade water so that new players can come in and the water can be used very effectively. Under the current system, some people have bought land to obtain access to more water. Under the new system the land and the water will be separated and people will be able to access water using more effective mechanisms.

According to this Bill, water licences in fully-allocated areas will be regarded as an asset that can be traded as long as no environmental or other harm is caused. People will be allowed to sell or lease their licences. It will be up to them; no-one will be forced to do anything. Comment has been made about the separation of land and water titles. Obviously that is necessary for trading. Perhaps the minister will tell the House whether there are any outstanding issues. It makes a lot of sense and presumably it leads to more effective management of land.

Dr Hames: I will cover the question of capital gains tax.

Dr EDWARDS: I thank the minister for that.

I will now make some comments about the issues of concern raised with the Opposition. I refer first to the capital gains tax. I need to walk through this slowly because I have had some difficulty at times getting my head around it. A water licence is regarded as an asset. Therefore, it gives the licence holder possession of a water supply in much the same way as one has possession of land. Under these reforms, the water licence will be more permanent and the licences will almost always be renewed unless there is some environmental or allocation problem. Generally speaking, all that work will have been done before the licences are issued, so that they will be more or less permanent. The licences can then be leased or sold.

As is the case with land, the licences granted before 1985 are pre-capital gains tax assets and will not be subject to capital gains tax on sale. Licences obtained after that date will be subject to capital gains tax assessment. I understand that the main interest in this is the situation in which the land was purchased prior to 1985 but the water licence was not acquired until after that date. I am still not entirely clear about how many areas that affects.

Dr Hames: It affects three areas.

Dr EDWARDS: Obviously, if the water resource is in an under-allocated area without trading, the licence value is nominally

zero and it is not an issue. If it were in a fully-allocated area without trading, the licence could have a substantial value in its own right and capital gains tax would be payable on its value when it is transferred. This situation is not affected by these reforms. In a fully-allocated area with temporary trading, the reforms have been set up to allow that temporary trading to go on indefinitely. Therefore, if there is no capital realisation, no capital gains tax is paid. The reforms do not force a change in the existing situation and capital gains tax liabilities will apply only under the existing sale of land and water packages.

It will be helpful if in his response the minister can give more detail of the number of people likely to be affected and of any ruling or any correspondence from the Australian Taxation Office. I gather there is no formal ruling and in the eastern States where presumably this problem has been faced, people have tended either to lease or trade temporarily to get around the problem. Anything the minister can say about this issue in his response will be listened to very carefully. One of the case studies I have been given about the matter from the Water Corporation relates to a hypothetical situation dealing with capital gains tax. It refers to an imaginary market gardener in Cockburn. The story is that he might be forced to sell out by encroaching urban and industrial development. Under the new laws, he will be able to sell his land to a developer or whomever and separately be able to sell the water licence to an industrial user. Since licensing was introduced to Cockburn in 1988, the licence holder will be liable to pay CGT. Under the calculations by the Water and Rivers Commission, funds from the sale of the licence would help the person to develop a new market garden in a better area. Obviously under the existing laws, or before the Bill comes into effect, he would not be able to sell the licence and would get nothing. It is arguing that the gain to be made from the sale would be bigger than any tax he would have to pay. Having said all of that, there is still some uncertainty for people in the Water Users Coalition to whom I have spoken in the past few days. I look forward to the minister's response about whether he has had any replies from the Australian Taxation Office.

I will now deal with appeals. I understand that the Bill does not radically alter the current appeals process and currently the minister makes the determination. Under this proposal, he will still make the determination. My reading of the Bill is that proposed 26G(G) sets out the grounds for making an appeal and that these deal with refusal to grant a new licence; the period of the licence; the terms and conditions upon which licences are issued; the amendment, suspension or cancellation of a licence; the refusal to approve a transfer of a licence or water entitlement; and certain directions as to the taking of the water that may be in the licence.

Two issues arise from the appeals system set out in the Bill. The first is the need for an independent appeals committee. I understand the minister has made some amendments, and I have seen them on the Notice Paper. I gather the minister is now saying that when an appeal happens, the appellant can determine whether the minister does the appeal or whether it is hived off to a committee. It is not clear how many people the minister thinks would be on the appeals committee.

Dr Hames: Three.

Dr EDWARDS: The provision seems to read three or more.

Dr Hames: We will do what we are currently doing. I have had a similar case in Carnarvon about water usage. I appointed a senior retired magistrate as the judge and someone with local water knowledge as the second person, and I invited the person who made the appeal to nominate a prominent person of his choice to present his side of case. Those three people would make a recommendation to the minister. The minister would have the final say in either following that advice or not. That is what I do now and what I intend to do for the others.

Dr EDWARDS: Two issues remain unresolved. The first is that I understand Alex Gardner is doing a review of appeals in this Bill.

Dr Hames: I don't know about that. I am not doing any review. I do not know what the member is referring to.

Dr EDWARDS: In the briefing I had from the Water Corporation, I was told that Alex Gardner from the Law School at the University of Western Australia had been appointed to do a review of appeals, but that the review would not be available until December, that it probably would go out for public comment but it would not happen until January.

Dr Hames: I will find out about that.

Dr EDWARDS: People have expressed to us a lack of satisfaction about the independence of the appeals process. I understood that the review had been commissioned as a result of those concerns. I guess I am worried that we had to deal with this legislation before the report was commissioned and available to us. I have been told it is going out for public comment, and that is a good thing. We would prefer to be putting legislation through when we had seen the review, heard the public comment and had a final determination.

The second argument put to us is that the scope of appeals is not broad enough. The Water Users Coalition has argued to me in the past few days that the Bill does not contemplate appeals regarding the other issues of water use, such as compensation, the operation of local rules or the activities of the local management committees, other than those relating to licences. Indeed, it is suggesting that those sections dealing with the latter two items be amended to give a right of appeal.

Dr Hames: That is to do with compensation, operation of local rules and activities of local management committees.

Dr EDWARDS: Yes. Again when we have more information about the terms of reference of this Alex Gardner review, I would be interested to hear whether any concerns put forward by the Water Users Coalition in the past few days have been addressed.

I will now comment about compensation. The Bill adds to the list of circumstances in which compensation can be paid to water users. First, compensation may be paid when one party is forced to reduce its water use because an increase has been

granted to another. The water user who benefits from the change will pay the compensation to the one who has been disadvantaged. Although that sounds fine on paper, I am interested to know whether the minister envisages any problems when it is put into operation. The Bill appears to indicate that there is always a lot of discussion and negotiation. Does the minister think the person who gets the benefit will be quite happy to pay any compensation? I am somewhat unclear about how people can complain about compensation, either if they think it is not enough or if a person thinks he has been forced to pay too much.

The second issue is when a change to water use is made in the public interest, such as increasing the flow of rivers for tourism or to resume water for a town water supply, in which case compensation will be paid by the State Government. I think that is fairly straightforward. The third issue is that right to compensation will not be created simply because there is a conflict between people with competing rights or when use is deemed to be greater than a sustainable level and must be dropped. To me, that seems perfectly straightforward, given the basis of the legislation is to protect the environmental water flow first and then to allocate what is left over. If the whole amount of allocation must drop because of some greater need for environmental flows and it is fairly spread, I do not think compensation should be given.

One area which the Water Users Coalition is still complaining about relates to clause 39 of the first schedule. It says that is unacceptable in its present form in that it fairly limits the circumstances in which a person is entitled to be paid compensation. In the consideration in detail stage I will ask the minister more questions about that.

[Leave granted for speech to be continued.]

Debate thus adjourned.

House adjourned at 9.58 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

MINISTERS OF THE CROWN, CREDIT CARD EXPENDITURE BY MINISTERIAL OFFICERS

36. Mr CARPENTER to the Minister representing the Minister for Mines:

- (1) Will the Minister state the total expenditure on Government credit cards in the Minister's office for the following financial years -
 - (a) 1993-94;
 - (b) 1994-95; and
 - (c) 1995-96?
- (2) For each individual cardholder in the Minister's office, will the Minister advise -
 - (a) the name and position of the cardholder;
 - (b) the credit limit on the card; and
 - (c) the total expenditure on that card in -
 - (i) 1993-94;
 - (ii) 1994-95; and
 - (iii) 1995-96?

Mr BARNETT replied:

- (1) (a)-(c) The Minister was not the Minister for Mines during these years.
- (2) (a)-(c) Not applicable.

MINISTERS OF THE CROWN, CREDIT CARD EXPENDITURE BY MINISTERIAL OFFICERS

38. Mr CARPENTER to the Parliamentary Secretary to the Minister for Tourism:

- (1) Will the Minister state the total expenditure on Government credit cards in the Minister's office for the following financial years -
 - (a) 1993-94;
 - (b) 1994-95; and
 - (c) 1995-96?
- (2) For each individual cardholder in the Minister's office, will the Minister advise -
 - (a) the name and position of the cardholder;
 - (b) the credit limit on the card; and
 - (c) the total expenditure on that card in -
 - (i) 1993-94;
 - (ii) 1994-95; and
 - (iii) 1995-96?

Mr BRADSHAW replied:

- (1) (a)-(b) The Minister was not the Minister for Tourism during these years.
- (c) The Minister was appointed as Minister for Tourism on 21 December 1995. In the period December – June 1996 expenditure was \$1 395.20 across the portfolios held at that time.
- (2) (a) Norman Moore.
- (b) \$5 000
- (c) (i)-(ii) Not applicable.
- (iii) December 1995 – June 1996 - \$1 395.20

MINISTERS OF THE CROWN, CREDIT CARD EXPENDITURE BY MINISTERIAL OFFICERS

39. Mr CARPENTER to the Parliamentary Secretary to the Minister for Sport and Recreation:

- (1) Will the Minister state the total expenditure on Government credit cards in the Minister's office for the following financial years -
 - (a) 1993-94;
 - (b) 1994-95; and
 - (c) 1995-96?
- (2) For each individual cardholder in the Minister's office, will the Minister advise -
 - (a) the name and position of the cardholder;

- (b) the credit limit on the card; and
- (c) the total expenditure on that card in -
 - (i) 1993-94;
 - (ii) 1994-95; and
 - (iii) 1995-96?

Mr MARSHALL replied:

Across the portfolios held during the years:

- (1)
 - (a) 1993-94 \$2 520.10
 - (b) 1994-95 \$4 698.97
 - (c) 1995-96 \$2 163.85
- (2)
 - (a) Norman Moore.
 - (b) \$5 000
 - (c) See (1)(a)-(c).

FORESTS, ROCKY BLOCK

46. Dr EDWARDS to the Minister for the Environment:

With respect to the Rocky forest block -

- (a) how much of the area has been cleared;
- (b) how long has it taken to clear;
- (c) how many days did work stop due to wet weather;
- (d) what volumes of logs have been harvested (jarrah, marri, karri);
- (e) how many people were employed within the coupe itself;
- (f) what is the hazard rating of coupe 6, Rocky forest to prevent any dieback from entering;
- (g) given that the signs in Rocky say "dry soil only" does this mean that no vehicle movement should occur during moist soil conditions;
- (h) how many washdowns occurred for vehicles entering this dieback free forest;
- (i) what other precautions, if any, were taken to ensure there would be no spread of dieback in Rocky;
- (j) what machines were used to harvest timber from Rocky forest;
- (k) are there machines still operating in Rocky forest;
- (l) is the harvesting of coupe 6 complete;
- (m) if not, when will it be completed;
- (n) when will the felling of coupes 3, 4, 5 commence in Rocky forest; and
- (o) where is the timber from Rocky forest being sold?

Mrs EDWARDES replied:

- (a) To provide access for timber harvesting operations approximately 50 kilometres of new roads have been constructed in Rocky forest block. These have resulted in approximately 50 hectares of area cleared. Approximately a further 16 hectares of area was cleared to provide access to gravel associated with road construction activity. These gravel pits are scheduled for rehabilitation and revegetation with indigenous species of flora. Timber harvesting activity has occurred over a net area of approximately 480 hectares of Rocky forest block. Rocky block is 6 970 hectares
- (b) Road construction occurred during the summer periods 1994, 1995 and 1997.
- (c) Full records are not available for all operations in Rocky forest block. In Rocky compartment 6, operations were stopped on 9 days due to wet weather.
- (d) A total of approximately 24,640 cubic metres of jarrah log products have been harvested from Rocky forest block as well as approximately 23,180 cubic metres of marri chip. No karri has been harvested.
- (e) No records kept.
- (f) Hazard, in relation to dieback disease is defined as the combination of environmental, climatic and management factors that influence the potential impact of dieback disease on a site should an infection become established. Compartment 6 in Rocky forest block was interpreted as moderate to high hazard when dieback interpretation occurred in May 1997. More recently following the review of dieback management resulting from the report to the Western Australian Minister for the Environment in October 1996, "hazard" mapping was eliminated from the revised mapping process due to its lack of sound scientific basis. (refer to Review of Dieback in Western Australia, October 1996, recommendation 11 – Management)

- (g) No. In respect to dieback management, dry soil conditions refer to conditions under which soil will not be picked up by machine movement and transported. It may not be necessary for the soil to be completely dry to achieve this, for example, on hard surfaced roads.
- (h)-(i) Rocky forest block is not all free of dieback disease. No records have been kept of the number of washdowns which have occurred for vehicles entering Rocky forest block. Dieback hygiene measures applied during timber harvesting activity in Rocky forest block include strategies such as demarcation of dieback categories and appropriate separation of harvesting activity and cleandown between split phase harvesting using front and rear barriers on log landings, demarcation of forest into mini-catchments and ridgelines with cleandowns of harvesting equipment between and ceasing operations under conditions conducive to soil movement.
- (j) Standard harvesting equipment including skidders, loaders, a unicon harvester and log haulage trucks.
- (k)-(l) No.
- (m) Harvesting plans are currently being reviewed following the Regional Forest Agreement. While it had been anticipated that harvesting would be completed in 2001, this is being reviewed.
- (n) Parts of compartments 3 and 4 have already been harvested during 1994 and 1995. While it had been anticipated that the remainder of the area proposed for harvesting in compartments 3, 4 and 5 was planned to commence under appropriate conditions in early 2001, this is being reviewed as part of the current review of harvesting plans.
- (o) Bunnings Forest Products – Deanmill
Bunnings Forest Products – Diamond mill
Frane & Thompson - Albany
Rocky Gully Sawmill
Denbarker Sawmills
North Walpole Sawmilling
Yornup Mill Pty Ltd
Middlesex Sawmill
Skip Fencing
Donnelly Timber Co
B L & B F de Rusett
A J Petter
B A & C A Owens

WHITTAKERS SOFTWOOD SAWMILL, CARE AND MAINTENANCE

580. Dr EDWARDS to the Minister for the Environment:

- (1) Will the Minister confirm that Whittakers softwood sawmill was put on care and maintenance in 1997 during the downturn in the domestic housing market, as reported in the Regional Forest Agreement document *Review of Value Adding Development Opportunities for the Western Australian Hardwood Industry*?
- (2) For what period was the mill on care and maintenance?
- (3) Was the Department of Conservation and Land Management still supplying Whittakers with softwood sawlogs during this period?
- (4) If yes, what quantity of softwood sawlogs was supplied during this period?

Mrs EDWARDES replied:

- (1)-(3) In April 1997 CALM ceased delivering pine sawlogs from Crown land to Western Pine Associates Pty Ltd (WPA), the holder of contract of sale 800. WPA had arranged with Whittakers for Whittakers to mill the pine logs at its Greenbushes site. CALM did not deliver any further logs for the balance of 1997. The company may have obtained logs from private property during that period.
- (4) CALM made the following deliveries of softwood sawlogs and softwood peeler logs to the Whittakers mill in 1997:

| | |
|-----------|------------------|
| January | 2,837.107 tonnes |
| February | 2,091.06 tonnes |
| March | 1,467.71 tonnes |
| April | 2,979.94 tonnes |
| May | 0 tonnes |
| June | 0 tonnes |
| July | 0 tonnes |
| August | 0 tonnes |
| September | 0 tonnes |
| October | 0 tonnes |
| November | 0 tonnes |
| December | 0 tonnes |

SPORTS AIRCRAFT CLUB OF WA, LAND AT YANGEDI ROAD

693. Mr McGOWAN to the Minister for Lands:

I refer to Reserve No 25911 - Yangedi Road currently leased by the Sport Aircraft Builders Club of Western Australia and ask -

- (a) will the Government consider gifting the land to the Sports Aircraft Club of Western Australia;
- (b) if not, why not;
- (c) is the Government aware of the major social role played by the Club with disabled groups in Western Australia;
- (d) in the light of that role would the Government consider giving the club a 50 year lease over the site;
- (e) if not, why not;
- (f) will the Government consider making the club custodians of the land under Bushplan in the light of the fact that there are major areas of bush on the site that need to be preserved;
- (g) if not, why not;
- (h) will the Government consider making the club custodians under Bushplan if the club undertook a major fencing program in relation to the surviving bush;
- (i) if not, why not?

Mr SHAVE replied:

Department of Land Administration

- (a) Reserve 25911 is under the care, control and management of the Shire of Serpentine-Jarrahdale by virtue of a Management Order with power to lease for 21 years. The Club and the Shire of Serpentine have been negotiating with DOLA to purchase the site. As at June 1, 1999 the unimproved market value of the land was \$485,000.
- (b) Tenure by way of a longer term management lease might be considered if all parties are in agreement.
- (c) I am advised that the Sports Aircraft Club provides an open day for people with disabilities.
- (d) Refer to (b).
- (e) Not applicable.
- (f) Bushplan is a DEP and Ministry for Planning project and this question should be referred to those parties.
- (g)-(i) See reply in (f);

GOVERNMENT CONTRACTS, WESTERN PACIFIC CONSULTING

715. Mr RIPPER to the Minister for the Environment; Labour Relations:

- (1) Has the company 'Western Pacific Consulting' provided any form of service for departments under the Minister's control?
- (2) If yes -
 - (a) what was the nature of the service;
 - (b) when was the service provided; and
 - (c) what was the cost of the service?

Mrs EDWARDES replied:

Perth Zoo:

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

Department of Productivity and Labour Relations:

- (1) Yes.
- (2)
 - (a) Contract Management seminars.
 - (b) 16 March and 9 June 1998.
 - (c) Seminar held 16 March - \$450.00 and for the 9 June the cost was \$600.00.

Department of the Registrar, Western Australian Industrial Relations Commission:

- (1) Yes.
- (2)
 - (a) Western Pacific assisted the Department with an "activity definition" for the purpose of assessing services to be subject to Competitive tendering.
 - (b) July 1997.
 - (c) \$5 810.

Botanic Gardens and Parks Authority:

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

WorkSafe Western Australia:

- (1)-(2) The Government Accounting System (GAS) was decommissioned on 30 June 1997, therefore the accounting department is unable to respond for service performed prior to 1 July 1997. There has been no service provided by "Western Pacific Consulting" from 1 July 1997 to the current date.

Commissioner for Workplace Agreements:

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

WorkCover WA:

- (1) Yes.
(2) (a) Training programs.
(b)-(c) 1993/94 - nil
1994-95 - nil
1995-96 - \$3 275.00
1996-97 - nil
1997-98 - nil
1998-99 - \$425.00

Department of Environmental Protection:

- (1) Yes.
(2) (a) Nature of service (b) Date (c) Cost
- | | | |
|----------|----------------|---------|
| Seminar | December 1995 | \$300 |
| Seminar | February 1996 | \$150 |
| Seminar | March 1996 | \$150 |
| Seminar | June 1996 | \$210 |
| Seminar | June 1996 | \$150 |
| Seminar | August 1996 | \$450 |
| Handbook | September 1996 | \$49 |
| Seminar | October 1996 | \$300 |
| Seminar | October 1996 | \$1 120 |
| Training | November 1996 | \$560 |
| Seminar | March 1998 | \$150 |
| Seminar | May 1998 | \$335 |
| Seminar | June 1999 | \$125 |
| Seminar | June 1999 | \$310 |
| Seminar | June 1999 | \$310 |
| Seminar | June 1999 | \$125 |

Department of Conservation and Land Management:

- (1) Yes.
(2) (a) Training courses and assistance with a contract review of the management of Regional Parks.
(b) As required by Treasurer's Instruction 804, CALM retains accounting records for six years. Records retained by CALM show that since 1 July 1993, a total of 99 invoices have been received from Western Pacific Consulting Group. A computer generated report giving details can be provided if required.
(c) \$111 320.99.

GREENHOUSE GAS EMISSIONS, OLD-GROWTH FOREST LOGGING AND BURNING

866. Dr EDWARDS to the Minister for the Environment:

- (1) Further to question on notice No 44 of 1999, does Dr O'Brien's work include assessments of the contributions of old growth forest logging and burning (fuel reduction and regeneration) to Western Australia's and the world's greenhouse gas emissions?
(2) If not, why not?
(3) What is the contribution of old growth forest logging and burning in Western Australia's and the World's annual greenhouse gas emissions?

Mrs EDWARDES replied:

- (1)-(2) Issues such as contributions of forest logging and burning (fuel reduction and regeneration) to Western Australia's greenhouse gas emissions are amongst those under consideration by Dr O'Brien. Contributions from such factors worldwide are summarised in reports by the Intergovernmental Panel on Climate Change with inputs from many scientists and national groups.
(3) National Greenhouse Gas Inventory figures for Western Australia for 1995 indicate that the forestry component is a net sink, with about 11 megatonnes of carbon-dioxide-equivalent gases removed from the atmosphere and about 6 megatonnes added. Accurate values are widely acknowledged nationally as difficult to obtain because of many complex variable factors.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONSULTANTS' REPORTS

894. Mr BROWN to the Minister for Primary Industry; Fisheries:

- (1) Since 1 January 1999, what reports has each department and agency under the Minister's control received from consultants employed by it?
- (2) What is the title of each report?
- (3) In brief terms, what is the subject of each report?
- (4) What recommendations are contained in each report?

Mr HOUSE replied:

- (1)-(4) The member would be aware six monthly reports are tabled in Parliament that provide information on consultants engaged by Government agencies. The member should access these reports to obtain information on consultants.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONSULTANTS' REPORTS

895. Mr BROWN to the Minister for the Environment; Labour Relations:

- (1) Since 1 January 1999, what reports has each department and agency under the Minister's control received from consultants employed by it?
- (2) What is the title of each report?
- (3) In brief terms, what is the subject of each report?
- (4) What recommendations are contained in each report?

Mrs EDWARDES replied:

- (1)-(4) The member would be aware six monthly reports are tabled in Parliament that provide information on consultants engaged by Government agencies. The member should access these reports to obtain information on consultants.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONSULTANTS' REPORTS

900. Mr BROWN to the Minister for Local Government; Disability Services:

- (1) Since 1 January 1999, what reports has each department and agency under the Minister's control received from consultants employed by it?
- (2) What is the title of each report?
- (3) In brief terms, what is the subject of each report?
- (4) What recommendations are contained in each report?

Mr OMODEI replied:

- (1)-(4) The member would be aware six monthly reports are tabled in Parliament that provide information on consultants engaged by Government agencies. The member should access these reports to obtain information on consultants.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONSULTANTS' REPORTS

902. Mr BROWN to the Minister representing the Minister for Finance:

- (1) Since 1 January 1999, what reports has each department and agency under the Minister's control received from consultants employed by it?
- (2) What is the title of each report?
- (3) In brief terms, what is the subject of each report?
- (4) What recommendations are contained in each report?

Mr COURT replied:

The Minister for Finance has provided the following response -

- (1)-(4) The member would be aware six monthly reports are tabled in Parliament that provide information on consultants engaged by Government agencies. The member should access these reports to obtain information on consultants.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONSULTANTS' REPORTS

904. Mr BROWN to the Minister representing the Minister for Racing and Gaming:

- (1) Since 1 January 1999, what reports has each department and agency under the Minister's control received from consultants employed by it?
- (2) What is the title of each report?

- (3) In brief terms, what is the subject of each report?
- (4) What recommendations are contained in each report?

Mr COWAN replied:

- (1)-(4) The member would be aware six monthly reports are tabled in Parliament that provide information on consultants engaged by Government agencies. The member should access these reports to obtain information on consultants.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONSULTANTS' REPORTS

906. Mr BROWN to the Minister for Police; Emergency Services:

- (1) Since 1 January 1999, what reports has each department and agency under the Minister's control received from consultants employed by it?
- (2) What is the title of each report?
- (3) In brief terms, what is the subject of each report?
- (4) What recommendations are contained in each report?

Mr PRINCE replied:

- (1)-(4) The member would be aware six monthly reports are tabled in Parliament that provide information on consultants engaged by Government agencies. The member should access these reports to obtain information on consultants.

REDEPLOYEES, EMPLOYMENT AT KINGS PARK

914. Dr EDWARDS to the Minister for the Environment:

- (1) How many redeployees are currently working at King's Park and associated environs?
- (2) What activities are they involved in?

Mrs EDWARDES replied:

- (1) Six.
- (2) Three redeployees undertake general maintenance works such as repairs, cleaning and watering. One redeployee works in the seed propagation area, another in the laboratory providing technical assistance, whilst the other redeployee is in the administrative/payroll/accounts area.

GOVERNMENT DEPARTMENTS AND AGENCIES, RECRUITMENT RESTRICTIONS

915. Dr EDWARDS to the Minister for the Environment:

- (1) Which departments or agencies under the Minister's control are currently subject to staff freezes or any other restrictions on recruitment?
- (2) For each department -
 - (a) when did the freeze or restriction commence;
 - (b) how many staff have not been replaced in this time;
 - (c) what money has been saved as a result of these restrictions; and
 - (d) when will the freeze or reduction be lifted?

Mrs EDWARDES replied:

Department of Environmental Protection:

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

Department of Conservation and Land Management:

- (1) CALM.
- (2) (a) There is no freeze on recruitment. Restrictions have been in place for many years. Before staff are recruited, managers are required to certify that they will remain within budget or obtain advance approval of supplementary funds. Since July 28, 1999 Corporate Executive approval has also been required before staff are recruited.
- (b) Staff numbers are currently rising in line with seasonal trends for fire fighting and to provide employment for timber industry employees who were displaced by a mill closure. At July 28, the full time equivalent numbers for CALM were 1388.23, and at 8 October were 1399.35, an increase of 11.12.
- (c) Not applicable.
- (d) Restrictions are ongoing in all well managed organisations.

Perth Zoo:

- (1)-(2) Not applicable.

Botanic Gardens and Parks Authority:

(1)-(2) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXPENDITURE

981. Mr RIEBELING to the Minister for Primary Industry; Fisheries:

What was the total expenditure for each of the Departments within the Minister's responsibility for the financial year 1998-99 on -

- (a) consultancies;
- (b) contracts and services; and
- (c) overseas travel and accommodation?

Mr HOUSE replied:

- (a) Six monthly reports providing information on consultants engaged by Government agencies are tabled in Parliament. The member should access these reports to obtain details of total expenditure on consultants.
- (b) Annual reports tabled in Parliament in accordance with the Financial Administration and Audit Act contain the agency's operating statement, which discloses a total incurred on administrative expenses including contracts and services. The member should access these reports to obtain information on costs of services.
- (c) Quarterly reports detailing overseas and interstate travel undertaken by Ministers and government officials are tabled in Parliament. The member should access these reports to obtain information on total expenditure for overseas travel and accommodation.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXPENDITURE

982. Mr RIEBELING to the Minister for the Environment; Labour Relations:

What was the total expenditure for each of the Departments within the Minister's responsibility for the financial year 1998-99 on -

- (a) consultancies;
- (b) contracts and services; and
- (c) overseas travel and accommodation?

Mrs EDWARDES replied:

- (a) Six monthly reports providing information on consultants engaged by Government agencies are tabled in Parliament. The member should access these reports to obtain details of total expenditure on consultants.
- (b) Annual reports tabled in Parliament in accordance with the Financial Administration and Audit Act contain the agency's operating statement, which discloses a total incurred on administrative expenses including contracts and services. The member should access these reports to obtain information on costs of services.
- (c) Quarterly reports detailing overseas and interstate travel undertaken by Ministers and government officials are tabled in Parliament. The member should access these reports to obtain information on total expenditure for overseas travel and accommodation.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXPENDITURE

987. Mr RIEBELING to the Minister for Local Government; Disability Services:

What was the total expenditure for each of the Departments within the Minister's responsibility for the financial year 1998-99 on -

- (a) consultancies;
- (b) contracts and services; and
- (c) overseas travel and accommodation?

Mr OMODEI replied:

- (a) Six monthly reports providing information on consultants engaged by Government agencies are tabled in Parliament. The member should access these reports to obtain details of total expenditure on consultants.
- (b) Annual reports tabled in Parliament in accordance with the Financial Administration and Audit Act contain the agency's operating statement, which discloses a total incurred on administrative expenses including contracts and services. The member should access these reports to obtain information on costs of services.
- (c) Quarterly reports detailing overseas and interstate travel undertaken by Ministers and government officials are tabled in Parliament. The member should access these reports to obtain information on total expenditure for overseas travel and accommodation.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXPENDITURE

989. Mr RIEBELING to the Minister representing the Minister for Finance:

What was the total expenditure for each of the Departments within the Minister's responsibility for the financial year 1998-99 on -

- (a) consultancies;
- (b) contracts and services; and
- (c) overseas travel and accommodation?

Mr COURT replied:

The Minister for Finance has provided the following response:

- (a) Six monthly reports providing information on consultants engaged by Government agencies are tabled in Parliament. The member should access these reports to obtain details of total expenditure on consultants.
- (b) Annual reports tabled in Parliament in accordance with the Financial Administration and Audit Act contain the agency's operating statement, which discloses a total incurred on administrative expenses including contracts and services. The member should access these reports to obtain information on costs of services.
- (c) Quarterly reports detailing overseas and interstate travel undertaken by Ministers and government officials are tabled in Parliament. The member should access these reports to obtain information on total expenditure for overseas travel and accommodation.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXPENDITURE

991. Mr RIEBELING to the Minister representing the Minister for Racing and Gaming:

What was the total expenditure for each of the Departments within the Minister's responsibility for the financial year 1998-99 on -

- (a) consultancies;
- (b) contracts and services; and
- (c) overseas travel and accommodation?

Mr COWAN replied:

The Minister for Finance has provided the following response:

- (a) Six monthly reports providing information on consultants engaged by Government agencies are tabled in Parliament. The member should access these reports to obtain details of total expenditure on consultants.
- (b) Annual reports tabled in Parliament in accordance with the Financial Administration and Audit Act contain the agency's operating statement, which discloses a total incurred on administrative expenses including contracts and services. The member should access these reports to obtain information on costs of services.
- (c) Quarterly reports detailing overseas and interstate travel undertaken by Ministers and government officials are tabled in Parliament. The member should access these reports to obtain information on total expenditure for overseas travel and accommodation.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXPENDITURE

993. Mr RIEBELING to the Minister for Police; Emergency Services:

What was the total expenditure for each of the Departments within the Minister's responsibility for the financial year 1998-99 on -

- (a) consultancies;
- (b) contracts and services; and
- (c) overseas travel and accommodation?

Mr PRINCE replied:

- (a) Six monthly reports providing information on consultants engaged by Government agencies are tabled in Parliament. The member should access these reports to obtain details of total expenditure on consultants.
- (b) Annual reports tabled in Parliament in accordance with the Financial Administration and Audit Act contain the agency's operating statement, which discloses a total incurred on administrative expenses including contracts and services. The member should access these reports to obtain information on costs of services.
- (c) Quarterly reports detailing overseas and interstate travel undertaken by Ministers and government officials are tabled in Parliament. The member should access these reports to obtain information on total expenditure for overseas travel and accommodation.

DEPARTMENT OF MINERALS AND ENERGY, STAFF AND MINE DETAILS

1010. Ms ANWYL to the Minister representing the Minister for Mines:

- (1) How many full time equivalent staff (FTE's) are employed by the Department of Minerals and Energy (DOME)?
- (2) Will the Minister provide details of the nature of duties according to each 1999-2000 budget division of those FTE's?
- (3) Will the Minister state the location of their office accommodation?

- (4) How many FTE's were employed by DOME for each of the years ending -
- (a) 30 June 1996;
 - (b) 30 June 1997;
 - (c) 30 June 1998; and
 - (d) 30 June 1999?
- (5) Will the Minister explain any changes which have occurred?
- (6) I refer to budget statements Volume 2 page 906 and ask will the Minister provide a list of the 600 operating mines regulated including details of tenement owners, location and length of time recorded?
- (7) Will the Minister -
- (a) advise what survey was conducted to determine the quality output on page 906 of Volume 2;
 - (b) identify the respondents to the survey; and
 - (c) advise the cost of it?
- (8) How is the average cost of operating each mine derived, and will the Minister explain the variation between 1998-99 estimated and 1999-2000 budget?
- (9) Will the Minister provide a copy of the survey to me?
- (10) What further safety initiatives are underway for the current budgetary year?

Mr BARNETT replied:

- (1) As at 30 June 1999, the number of FTEs in the Department of Minerals and Energy was 588 (not including the Chemistry Centre (WA)).

| Budget Division (Output) | Nature of Duties | Number of FTEs |
|--------------------------|--|----------------|
| 1 | Ongoing management of mining & mineral titles. | 190 |
| 2 | Ongoing management of petroleum exploration & production titles. | 26 |
| 3 | Maintain up-to-date geological framework of the State's mineral & petroleum resources. | 149 |
| 4 | Maintain an archive of geoscientific & resource exploration documents, samples and data. | 32 |
| 5 | Mineral processing (now transferred to CSIRO). | 0 |
| 6 | Safety and health in the mineral workforce. | 104 |
| 7 | Safety and health in the petroleum workforce. | 18 |
| 8 | Regulating & promoting environmental management in the mineral industry. | 18 |
| 9 | Regulating & promoting environmental management in the petroleum industry. | 6 |
| 10 | Establish royalty rates and ensure collection. | 14 |
| 11 | Regulation of storage, handling & transport of dangerous goods. | 31 |

- (3) Staff are located at the following offices -

Mineral House, East Perth
 Kalgoorlie
 Collie
 Karratha
 Southern Cross
 Norseman
 Mt. Magnet
 Meekatharra
 Marble Bar
 Leonora
 Kununurra

- (4) Numbers of staff employed by the Department of Minerals and Energy, 1996 -1999

| Year | DME FTEs (excluding CCWA) |
|---------|---------------------------|
| June 96 | 577 |
| June 97 | 582 |
| June 98 | 573 |
| June 99 | 588 |

- (5) There have been no significant changes.
- (6) The information on the operating mines is drawn from a listing of mines with Mine Record Books which is held in a database in the Department of Minerals and Energy. Tenement owners, location and length of time recorded is held on other databases. Cross-referencing and extracting the information requested by the Member would absorb significant staff resources which, in my view, cannot be justified.
- (7) (a) A customer survey was conducted by the Mining Operations Division in March 1999. The questionnaire related to services provided by the Division and to a number of its measurable outputs. The questionnaire comprised four parts, requesting input on:
- demographics;
 - services used;
 - quality rating of the service most recently experienced; and
 - Mining Operations Division's influence and effect on the Mining Industry.
- (b) The survey was distributed through the Registered Manager of every mine in Western Australia to all managers, supervisors and general workforce with a formal role in either safety, occupational health or environmental matters. A total of 1,149 questionnaires were completed and returned, which provided a valid and representative sample of the target group and a very high confidence level in the survey results (95% \pm 2.5%).
- (c) The approximate cost of the survey was \$30,000, comprising \$25,000 in salaries and \$5,000 in printing, postage, etc.
- (8) The average cost of service per operating mine site is determined by dividing the total cost of Output 6 (safety products and services) by the number of mine sites. The reduced average cost between 1998-99 estimated and 1999-2000 budget results mainly from productivity gains and the completion of the development of a number of safety and health databases.
- (9) Yes. I will send a copy of the Customer Survey to the member.
- (10) Two major occupational and safety projects will be completed during the year, being:
- (a) The Mining Operations Division's Audit Management System (MODAMS) will be put into service by the Inspectorate. (Refer to Question on Notice 1011.)
- (b) The CONTAM System has been developed to record and statistically analyse samples of atmospheric contaminants on all mine sites in Western Australia. Contaminants recorded by personal samplers include respirable and inspirable silica, diesel fumes, asbestos fibres, ammonia, chlorine, benzene, carbon monoxide, etc. The annual number of samples required by the Department's Occupational Hygienist and Physician will be dictated by the nature of the work and contaminants present in the workplace.

CHANNEL 31

1061. Mr BROWN to the Minister for Primary Industry; Fisheries:

- (1) Is the Minister aware of the service provided by Channel 31 in terms of it being a completely local service and providing opportunities for local talent, ideas and Western Australian content?
- (2) Is the Minister aware that Channel 31 programs reach a diverse range of specialist audiences nearly impossible to reach through other media?
- (3) If so, what efforts has the Minister and/or the Minister's departments/agencies made to place Government advertising or paid community announcements with Channel 31?
- (4) Since it commenced broadcasting four months ago, how much Government advertising and paid community announcements have been allocated to Channel 31?

Mr HOUSE replied:

- (1)-(3) A few months after Channel 31 commenced on air, a comprehensive dossier on its activities was requested by Government and distributed to each Ministerial office for information. Through the publication "Preferred Position" every Government Department was advised of the Channel's services and that it should consider making use of them.
- (4) The State Government's master media agency Media Decisions is responsible for purchasing all advertising for Government Departments and advises that, to date, there has been no expenditure on Channel 31 by Departments under the Minister's responsibility. However, it has advised that it has held discussions with a number of Government agencies regarding the possible future inclusion of Channel 31 in up-coming media schedules.

CHANNEL 31

1073. Mr BROWN to the Minister for Police; Emergency Services:

- (1) Is the Minister aware of the service provided by Channel 31 in terms of it being a completely local service and providing opportunities for local talent, ideas and Western Australian content?

- (2) Is the Minister aware that Channel 31 programs reach a diverse range of specialist audiences nearly impossible to reach through other media?
- (3) If so, what efforts has the Minister and/or the Minister's departments/agencies made to place Government advertising or paid community announcements with Channel 31?
- (4) Since it commenced broadcasting four months ago, how much Government advertising and paid community announcements have been allocated to Channel 31?

Mr PRINCE replied:

- (1)-(3) A few months after Channel 31 commenced on air, a comprehensive dossier on its activities was requested by Government and distributed to each Ministerial office for information. Through the publication "Preferred Position" every Government Department was advised of the Channel's services and that it should consider making use of them.
- (4) The State Government's master media agency Media Decisions is responsible for purchasing all advertising for Government Departments and advises that, to date, there has been no expenditure on Channel 31 by Departments under the Minister's responsibility. However, it has advised that it has held discussions with a number of Government agencies regarding the possible future inclusion of Channel 31 in up-coming media schedules.

KINGS PARK AND BOTANICAL GARDEN, PERMANENT HEAD OF NATURAL HERITAGE DIVISION

1101. Dr EDWARDS to the Minister for the Environment:

When will or was a permanent head appointed to the Natural Heritage Division of the agency of Kings Park and Botanic Garden?

Mrs EDWARDES replied:

Effective 1 July 1999, for a two year trial with a twelve month review, the Division of Natural Heritage was amalgamated with the Division of Living Collections. The Director with current accountability for both Divisions was appointed on 26 October 1998.

KINGS PARK AND BOTANICAL GARDEN, BUSINESS PLAN

1102. Dr EDWARDS to the Minister for the Environment:

With respect to the Kings Park and Botanic Garden Business Plan 1995-2000 and its review, what decisions were made by Government and which initiatives were affected?

Mrs EDWARDES replied:

As part of the transition process to the new Botanic Gardens and Parks Authority, the Board of Management in conjunction with the Chief Executive Officer and senior staff are examining and reviewing the previous Business Plan (1995-2005) prepared for the Kings Park Board. The Board of Management anticipates that their assessment will be completed by the year end at which time Government will consider any review recommendations.

KINGS PARK AND BOTANICAL GARDEN, PLAYGROUND EQUIPMENT

1103. Dr EDWARDS to the Minister for the Environment:

What is being done by the Kings Park and Botanic Garden to address the decreased satisfaction level in 1998-99 with playground equipment?

Mrs EDWARDES replied:

Over the past four months Kings Park and Botanic Garden maintenance crews have been repairing and modifying play equipment at the Lotteries Family Area, Hale Oval to address visitor demands and expectations. Planning has also commenced to develop new play and picnic facilities at the Lakeside Picnic Area in Kings Park. This area is over 30 years old and a major upgrade is proposed for 1999-2000.

BELVOIR AMPHITHEATRE, CORRESPONDENCE

1152. Mr BROWN to the Minister for the Environment:

- (1) Is the Minister aware of correspondence from RS Milne, Convenor of Vines for the Valley dated 14 September 1999 addressed to all Members of Parliament concerning the Belvoir Amphitheatre?
- (2) Has the Minister examined the correspondence?
- (3) If not, will the Minister examine the correspondence?
- (4) If not, why not?
- (5) Are the facts set out in the correspondence correct?
- (6) If not, in what ways are they incorrect?

- (7) Has the Minister responded to the 'three main points' put forward by the group in 1996?
- (8) What is the Government's answer to each of those points?
- (9) What further action/initiatives does the Minister/Government intend to take to meet residents concerns?

Mrs EDWARDES replied:

- (1) I am aware of a letter, dated 14 September 1999, from Mr R S Milne, Convenor of Vines in the Valley which was addressed to the Director, Pollution Prevention Division, Department of Environmental Protection, Westralia Square, Perth. This letter indicated that it was copied to the Premier, Leader of the Opposition, All Government Ministers, All Opposition Ministers and the Shire of Swan; it was not, however, addressed to those recipients.
- (2) Yes.
- (3)-(4) Not applicable.
- (5)-(6) The review section of the letter, apart from the comment regarding planning or building approval which is outside the scope of my portfolio, is considered to be reasonably correct. The comment that "It is generally considered that a level of 70 dBA can cause hearing loss" is not considered correct. Most authorities consider that adequate hearing protection is provided for most people by ensuring that their exposure to noise does not exceed 85 dB(a) Leq (8 hours). This criterion is not exceeded at any residence as a result of noise caused by concerts at the Belvoir Amphitheatre.
- (7)-(8) The "three main points" reiterated in Mr Milne's letter of 14 September 1999 were considered in determining the conditions included in the exemption order which now applies to the Belvoir Amphitheatre.
- (9) The Department of Environmental Protection will monitor compliance with the conditions of the exemption order by the operators of the Belvoir Amphitheatre and take appropriate enforcement action as necessary.

GOVERNMENT CONTRACTS, IN EXCESS OF \$50 000

1163. Mr BROWN to the Minister for the Environment; Labour Relations:

- (1) How many contracts of \$50,000 or more (excluding employment contracts) has each department and agency under the Minister's control entered into between 1 August and 30 September 1999?
- (2) What was the amount of each contract?
- (3) What is the name of each person/entity with whom the contract has been entered into?
- (4) What is the nature of the work or service required by the contract?
- (5) What is the completion date of each contract?

Mrs EDWARDES replied:

Registrar, Western Australian Industrial Relations Commission:

- (1) Nil.
- (2)-(5) Not applicable.

Department of Environmental Protection:

- (1) One.
- (2) The amount of the contract was \$98,450.
- (3) The contract was awarded to Teris (Aust) Pty Ltd.
- (4) The removal of solvent wastes from Waste Control Pty Ltd, Bellevue - regulatory action under Section 73 of the Environmental Protection Act 1986.
- (5) The completion date of the contract is 30 November 1999.

WorkCover WA:

- (1) Two.
- (2) (a) \$59 389 (b) \$144 000
- (3) (a) Royal Australian College of General Practitioners (b) Stanton Partners
- (4) (a) Research into the management of work related stress claims. (b) Internal Audit services
- (5) (a) 1 June 2000 (b) 26 August 2002

Commissioner of Workplace Agreements:

- (1) Nil.
- (2)-(5) Not applicable.

Perth Zoo:

- (1) One.
- (2) \$140 000 over 3 years.
- (3) Craft Cleaners, Night Owl Property Services.
- (4) Cleaning of offices, buildings and public facilities.
- (5) Two years to 30/9/2001 with potential for one year extension.

Botanic Gardens and Parks Authority:

- (1) One.
- (2) \$168 440
- (3) Total Eden Watering Systems.
- (4) DNA Vista Walk Irrigation Upgrade.
- (5) Contract was completed on 12 November 1999.

Department of Conservation and Land Management:

- (1) Two.
- (2) (a) \$100 000 (b) \$76 139
- (3) (a) Muchea Grading. (b) Forestry Tasmania
- (4) (a) Construction of Limestone roads. (b) Purchase of Eucalyptus globulus seed
- (5) (a) 13 October 1999 (b) 15 January 2000

Department of Productivity and Labour Relations:

- (1) Nil.
- (2)-(5) Not applicable.

WorkSafe Western Australia:

- (1) Nil.
- (2)-(5) Not applicable.

GOVERNMENT CONTRACTS, IN EXCESS OF \$50 000

1168. Mr BROWN to the Minister for Local Government; Disability Services:

- (1) How many contracts of \$50,000 or more (excluding employment contracts) has each department and agency under the Minister's control entered into between 1 August and 30 September 1999?
- (2) What was the amount of each contract?
- (3) What is the name of each person/entity with whom the contract has been entered into?
- (4) What is the nature of the work or service required by the contract?
- (5) What is the completion date of each contract?

Mr OMODEI replied:

DEPARTMENT OF LOCAL GOVERNMENT

- (1) None.
- (2)-(5) Not applicable.

DISABILITY SERVICES COMMISSION

- (1) 2
- (2) (a) \$123,250 over 5 years.
(b) \$139,770 over 2 years.
- (3) (a) Occupational Services (WA).
(b) Modal Pty Ltd.
- (4) (a) Employee Assistance Program.
(b) Presentation of a Frontline Managers' Training Course.
- (5) (a) 31 August 2004.
(b) 17 September 2001.

KEEP AUSTRALIA BEAUTIFUL COUNCIL (WA)

- (1) None.
- (2)-(5) Not applicable.

METROPOLITAN CEMETERIES BOARD

- (1) 1
- (2) \$130,0552.42
- (3) Frogmat Environmental Australasia Pty Ltd.
- (4) Landscape work.
- (5) December 1999.

FREMANTLE CEMETERY BOARD

- (1) Nil.
- (2)-(5) Not applicable.

WORKERS COMPENSATION, PHYSIOTHERAPY SERVICES

1180. Mr KOBELKE to the Minister for Labour Relations:

- (1) Does the Minister support injured workers being covered by workers compensation for the payment of fees for physiotherapy services?
- (2) Is the current level of fees set for physiotherapists undertaking worker's compensation work adequate to attract them to do such work?
- (3) If not, then what action does the Minister propose to take in order to ensure that physiotherapists are adequately remunerated to provide their services to injured workers under the worker's compensation system?

Mrs EDWARDES replied:

- (1)-(2) Yes.
- (3) Not applicable.

CALM, RESTRUCTURING

1190. Dr EDWARDS to the Minister for the Environment:

With respect to the review of the Department of Conservation and Land Management and the drafting of legislation for the restructuring of that agency will the Minister advise -

- (a) when will the process be completed;
- (b) who is undertaking the review and how was each person appointed;
- (c) what are its terms of reference;
- (d) how will the public have input;
- (e) when will its work be completed; and
- (f) will its findings be made public?

Mrs EDWARDES replied:

- (a)-(f) Legislation to remove the responsibility for the harvesting and sale of forest produce from CALM will be introduced into Parliament in the near future. The preparation of the legislation has been overseen by Mr Haydn Lowe, Chief Executive Officer of the Department of Aboriginal Affairs in consultation with stakeholders. The primary purpose of the legislation is to overcome a perception that CALM benefits from the exploitation of the forest land that it manages, and to introduce new independent advisory, monitoring and auditing controls over conservation land including State forest.

SALINITY, FUNDING

1197. Mr BROWN to the Minister for Regional Development:

- (1) Is the Minister aware of an article that appeared in *The West Australian* newspaper on 16 October 1999 which reported Federal Forestry and Conservation Minister Wilson Tuckey MHR saying that the State Government was doing little to combat salinity?
- (2) What action is the Government taking to combat salinity?
- (3) How much has been allocated to combat salinity?
- (4) How much was allocated by each Department and Agency to combat salinity in the 1998-99 financial year?
- (5) Has the State Government provided this information to the Federal Minister?

Mr COWAN replied:

- (1) Yes.
- (2) The Western Australian Government is supporting a wide range of actions to combat salinity. The Salinity Action Plan released in 1996 is being applied and a copy has been tabled in this House. The 1996 Salinity Action Plan is currently being reviewed by the State Salinity Council. The council and wider community, in partnership with relevant government agencies in Western Australia have jointly developed a new Salinity Management Strategy building on the foundation of the first. The major actions supported by the Western Australian Government are identified in the existing plan.
- (3) In 1998/99, \$48.9m of state resources were allocated to the fight against salinity. This includes an additional \$10m of new state funds allocated in 1996 to be phased in over three years to 1998/99, \$15.1m of existing funding and a redistribution of \$23.8m of existing agency resources to be phased in by 1998/99.
- (4) 1998/99 Financial year allocations (as per the Salinity Action Plan Allocations) are;

| | |
|--|----------|
| Water and Rivers Commission | \$5.18m |
| Agriculture WA | \$16.5m |
| Conservation and Land Management | \$26.67m |
| Department of Environmental Protection | \$0.55m |
- (5) Yes.

GOSNELLS POLICE STATION

1203. Ms McHALE to the Minister for Police:

Will the Minister advise how many police officers were -

- (a) rostered to work at the Gosnells Police Station on 28 July 1999; and
- (b) actually working and located at the police station on the morning of 28 July 1999?

Mr PRINCE replied:

- (a)-(b) The Gosnells Police Station is a sub-district within the Cannington Police District which has a total of 320 sworn officers. On the dates mentioned the total roster strength for Gosnells Police Station reported for duty. The Cannington District Officer may deploy resources within his District to meet ever changing needs.

DRUGS, ARRESTS AND CHARGES

1217. Dr CONSTABLE to the Minister for Police:

In reference to question on notice No. 704 of 1999 how many -

- (a) arrests; and
- (b) charges,

were made in each of the past five years for the following offences -

- (i) conspiracy to sell or supply illicit drugs;
- (ii) possession of illicit drugs with intent to sell or supply; and
- (iii) sale or supply of illicit drugs?

Mr PRINCE replied:

- (a) (i)-(iii) The Western Australia Police Service statistical database does not distinguish between offences of conspiracy to sell and supply an illicit drug; possession of an illicit drug with intent to sell and supply; or sale or supply of an illicit drug. For recording purposes, all such offences are grouped together under the offence category "sell and supply drugs". Accordingly, the following table represents the number of persons processed for offences of "sell and supply drugs", in each of the last 5 fiscal years:

| Year | Arrests | Summons | Total |
|---------|---------|---------|-------|
| 1994/95 | 497 | 80 | 577 |
| 1995/96 | 411 | 117 | 528 |
| 1996/97 | 511 | 121 | 632 |
| 1997/98 | 647 | 153 | 800 |
| 1998/99 | 620 | 123 | 743 |
| | | | 3280 |

- (b) (i)-(iii) The Western Australia Police Service statistical database records offence data only. The database does not retain information particular to the number of charges preferred.

QUESTIONS WITHOUT NOTICE**JARRAH AND KARRI RAILWAY SLEEPERS****441. Dr EDWARDS to the Minister for the Environment:**

- (1) Does the minister recall telling Parliament in June that we should not be cutting down good native timber for railway sleepers?
- (2) Does the minister also recall claiming that the Regional Forest Agreement would see the native hardwood timber industry move towards more value adding of timber products?
- (3) Does the minister also recall her promise to hold urgent talks with the Transport minister after it was revealed in June that Westrail had awarded the contract for the delivery of 35 000 jarrah and karri railway sleepers?
- (4) What was the outcome of her discussions with the Transport minister?

Mrs EDWARDES replied:

- (1)-(3) Yes.
- (4) A new policy is being prepared to go before Cabinet.

JARRAH AND KARRI RAILWAY SLEEPERS**442. Dr EDWARDS to the Minister for the Environment:**

I have a supplementary question. Is the minister aware that Westrail is in the process of purchasing more than 576 000 native timber railway sleepers as part of its grain line strengthening project?

Mrs EDWARDES replied:

My advice from the Minister for Transport is that currently there are no contracts for railway sleepers from third grade jarrah.

Dr Edwards: There are 576 000 sleepers.

Mrs EDWARDES: I will refer that matter to the minister. However, my advice as of last week was that no contracts were in place, and there will not be a contract until the policy goes back to Cabinet.

MFA FINANCE PTY LTD, ALLEGATIONS BY MEMBER FOR FREMANTLE**443. Mr BLOFFWITCH to the Minister for Fair Trading:**

Will the minister advise the House of any advice he has received from MFA Finance Pty Ltd regarding serious allegations made yesterday by the member for Fremantle?

Mr SHAVE replied:

Mr Speaker -

Ms MacTiernan: Is this why you did not turn up last night?

Mr Ripper: Missing in action.

Ms MacTiernan: He had to talk with the Premier's brother.

Mr SHAVE: I did not check with the Premier's brother.

In a debate in this House yesterday, the member for Fremantle said -

I have taken some time to detail those events surrounding MFA, the company of which, as I said, Mr Ken Court is a director, because the facts I have just outlined constitute a conspiracy by MFA and its managing director, Ross Fisher, to defraud the investors in that project.

The member for Fremantle also said -

Investors have been seriously misled and deceived. MFA Finance committed a criminal act in relation to this property and in relation to Mr Kennedy. It is an act for which responsibility must be taken.

I agree with the member for Fremantle, if his allegations are correct. I have received a letter from MFA Finance which does not appear to support the serious allegations made by the member for Fremantle. I am happy to table that letter. However, in view of the fact that the member for Fremantle has made the allegation that someone has committed a criminal act, I call on him, before the Parliament rises today, to contact the police and to put forward the charges and the allegations he has made, because they are very serious. I am sure he has checked all his facts and is willing to let the public and the media know, outside this House, the basis of his allegation. If the member for Fremantle does not contact the Minister for Police today, it will be my responsibility in the next -

Dr Gallop: You should be contacting the police; that is what should be happening. You are the minister; you should be doing it.

Mr SHAVE: That is absolutely right.

Dr Gallop: However, you are incapable of doing anything.

Mr SHAVE: The Leader of the Opposition is getting a little nervous. I am giving the member for Fremantle the opportunity to publicly substantiate the allegations he has made. I am more than happy to table the letter.

[See paper No 381.]

UNEMPLOYMENT FIGURES

444. Mrs HOLMES to the Minister for Employment and Training:

Will the minister inform the House of the latest unemployment figures?

Mr KIERATH replied:

I thank the member for Southern River for the question. The people of this State, after years of falling job numbers under both Federal and State Labor Governments, had hoped with the election of the present State Government that their prospects would improve. I think they said they wanted more jobs and real jobs. Thanks to this side of the House, and certainly no thanks to the Opposition, this Government has presided over the best unemployment rates during the past 10 years. Apart from New South Wales, where the Olympics have obviously made some impact, Western Australia has had the lowest unemployment rate of any State in Australia. Last month it fell from 7.1 per cent to 6.8 per cent.

There is more. Western Australia is one of only two States in the country to have its youth unemployment figure below the 20 per cent mark. Again, Western Australia is leading the country. I accept that figure is still too high. The Government has introduced several initiatives, including a program called "Access All Areas" to reduce youth unemployment.

I have more good news: The participation rate in Western Australia continues to climb. It has reached the staggering level of 67.2 per cent. When one compares that with New South Wales, which is 62 per cent, the unemployment level in Western Australia is almost half that in New South Wales. Our high participation rate is exceptional. It makes the low unemployment rate in this State even more reassuring for Western Australians.

There is more good news to come. I am proud to announce that this State, with only 10 per cent of the country's population, created and accounted for 25 per cent of all jobs created in October in Australia. The latest figures reinforce the underlying strengths of this State's economy and the Government's commitment to create the right environment to encourage and support employment growth.

I want to place on record the Government's congratulations to employers and employees for taking advantage of this environment and enhancing the good value of this State.

CONVENTION CENTRE, REVALUATION

445. Mr McGOWAN to the Premier:

I refer to the Government's current revaluation of the convention centre project in the context of the new convention centres that are opening in Melbourne, Cairns, Brisbane and Singapore.

- (1) Does the Government's current revaluation process mean that this project is currently on hold pending the outcome?
- (2) If yes, when is revaluation expected to be completed?
- (3) If not, how can the Premier justify proceeding with a project which involves a \$110m gift, plus land worth an estimated \$75m, when the revaluation is yet to be completed?

Mr COURT replied:

- (1)-(3) The project is certainly not on hold. It is moving ahead. We have outlined the process to the Parliament. The team involved in it is constantly re-evaluating, which one would expect it to do, because we will build a state of the art convention and exhibition facility. It will be a tremendous asset for this State. It will be a major employer, and when it is completed and officially open, it will then have the reluctant support even of the members opposite.

PERTH MARKET ACT, REVIEW COMMITTEE

446. Mr BROWN to the Minister for Primary Industry:

I refer to the ministerial committee established to review the Perth Market Act.

- (1) Is the minister aware that some growers are concerned that interests outside the review committee may take action to sue growers for defamation over evidence they may give to the committee?
- (2) Will the minister reassure growers by issuing a circular indicating that they should have no fear of conveying their honest concerns to the committee, and the Government will defend and indemnify any grower who is sued over any statements made to the committee?

Mr HOUSE replied:

- (1)-(2) The matter raised by the member is news to me; I have not heard that from anybody. If that is the case I would be concerned. I established the committee to get to the facts of the matter. I have given the Parliament an assurance that that will happen, and I am sure it will. No grower need have any concern about giving evidence to that committee.

POLICE SERVING IN EAST TIMOR**447. Mrs van de KLASHORST to the Minister for Police:**

I have received a call from a constituent who is a policeman serving in East Timor, who wants to know how the WA Police Service will handle issues such as promotional positions, leave without pay, long service leave, etc?

Mr PRINCE replied:

The Western Australia Police Service has within its ranks in excess of 600 officers who are also members of the Australian Defence Reserves in one form or another, mostly in the Army. There have been requests for some of them to volunteer to go into full-time service and go to East Timor as part of the rotation of the forces there. It would be difficult if so many officers were to ask to go at one time. Contact has been made with the Department of Defence in Canberra and the commissioner has announced that those who have particular skills, expertise or qualifications will be given permission to go to East Timor. However, if it ever reaches the stage of involving significant numbers, as a service we will have to reassess that and look at some fast-track recruiting or something of that nature. That is a reserve plan and we hope it will not be necessary.

With regard to a Police Force going into East Timor as United Nations police after the peacekeepers have done their job, Western Australian police have served overseas in a number of roles on a number of occasions; for example, in Cyprus and elsewhere. The Australian Federal Police, which organise that, have asked for six officers. The qualifications are fairly rigid and, at the last count, 360 people had volunteered for six positions. There is considerable enthusiasm among many police officers to go. The officers who go will retain their substantive ranks, positions and so on. Depending on where they come from - for example, they may be from a small station in the country - they may have to be replaced in their absence if they are gone for a significant period. There can be no guarantee that the post in which they were serving will be available when they come back if they are gone for a year or more. Subject to that caveat, there will be no change at all to positions. Leave without pay entitlements, long service leave entitlements and so on will be preserved. Effectively, if they are being paid, they will be on leave without pay while they are away, and if they are not, they will continue to be paid; in other words, their service conditions will not in any way be adversely affected.

PERTH MARKET ACT, REVIEW COMMITTEE**448. Mr BROWN to the Minister for Primary Industry:**

I refer to my previous question concerning the ministerial committee established to review the Perth Market Act.

- (1) Is it true that a select committee established by this House, as proposed by me and supported by the Opposition, will guarantee growers an opportunity to give evidence without fear of being sued for defamation, as that committee's evidence will be protected by parliamentary privilege?
- (2) In light of that and the minister's refusal to agree to the establishment of that committee, will he now, on behalf of the Government, defend and indemnify any grower who gives evidence before his ministerial committee?

Mr HOUSE replied:

- (1)-(2) The member is boxing at shadows. He is presuming that somebody will give false evidence. He is clearly suggesting to this House that someone will give false evidence. That is just a nonsense. Even to suggest that that would be the case demeans the people who will appear before that committee. The member should not be demeaning those people like that in this place. If people give evidence honestly and fairly to that committee, which I am certain they will, they should have no fear whatsoever.

BUNBURY POWER STATION, REDUNDANCY ARRANGEMENTS**449. Mr BARRON-SULLIVAN to the Minister for Energy:**

I refer to the concerns I raised earlier this year on behalf of employees previously employed at the Bunbury power station, especially the younger ones who have families and who can look forward to a number of years in their career. Can the minister give an indication to the House of the reaction from staff to the special redundancy arrangements that were worked out by Western Power, how successful those arrangements were and what the previous staff can look forward to now?

Mr BARNETT replied:

I thank the member for some notice of this question, which enabled me to get the correct figures. Of the 65 employees at the Bunbury power station, 54 have accepted the accelerated voluntary redundancy scheme; 10 employees have accepted other positions at other locations within Western Power; and one employee opted to be placed on the future employment program. All employees have been looked after in a proper and professional way.

PETRELIS, ANDREW, POLICE ACCESS TO INFORMATION

450. Mrs ROBERTS to the Minister for Police:

I refer to the minister's failure to provide details in this place yesterday about events leading up to the death of protected witness Andrew Petrelis in 1995, and ask -

- (1) What reasons were given by the police officers who were found to have accessed details about Mr Petrelis' new identity from the police mainframe computer without authorisation?
- (2) Was any action taken against the officers; and, if so, what action?
- (3) If no action was taken, why?
- (4) Is it correct that two of the three officers are still serving members of the Western Australia Police Service?
- (5) What action was taken to further protect Mr Petrelis when it was realised that his new identity had been accessed without authorisation?

Mr PRINCE replied:

I thank the member for some notice of this question.

- (1) I am informed that one officer who obtained details of Petrelis under his alias Parker claimed to have accessed the name "Andrew Parker", as it was the same name as Elvis Presley's manager. In the case of another officer, this matter is yet to be fully determined.

Mrs Roberts: Was Presley's manager's name Thomas Parker?

Mr PRINCE: Apparently. This is not new because it was in the Press some time ago in relation to this officer.

Mrs Roberts: When he called up the name Parker, he would have got hundreds of names.

Mr PRINCE: This is what he said; it is the explanation he gave. The reason given at the time was "due to operational sensitivity and risk of compromising an investigation".

- (2) One officer was charged in the District Court on 18 June 1996 for disclosing official information in relation to another matter. Members understand there is a distinction here. He was fined \$500 and subsequently resigned from the WA Police Service. He was not charged in relation to the Petrelis matter. No action was taken against the second officer.
- (3) That is answered by (1).
- (4) Two police officers were identified as accessing computer information. One officer resigned after being charged.

Mr Marlborough: An officer resigned while being charged?

Mr PRINCE: One officer was charged in the District Court on 18 June 1996 for disclosing official information, fined \$500 and subsequently resigned from the Police Service. To continue -

- (5) Once it became known that information on Mr Petrelis had been accessed, he was relocated to an alternative address in Western Australia. Soon after that, he was shifted to Queensland.

I had a fairly lengthy discussion this morning with the Commissioner of Police about this matter. As members know, Assistant Commissioner Lienert, who is in charge of professional standards, is reviewing the matter. The commissioner and I are absolutely determined to get to the bottom of this.

Dr Gallop: That is not what you said yesterday.

Mr PRINCE: Right now, a full and complete review is being carried out of what was done. As I said yesterday, any corrupt police officer in the Western Australia Police Service will, because this Government says so, be tracked down and will be dealt with.

GOSNELLS YOUTH ADVISORY COUNCIL, FUNDING

451. Mrs HOLMES to the Minister for Youth:

What funds, if any, have been provided to the Gosnells Youth Advisory Council since its inception 18 months ago to assist in its efforts for the benefit of youth in the Gosnells area?

Mr BOARD replied:

The Gosnells Youth Advisory Council applied for a grant to establish the Kenwick youth facility, and received \$36 000. I am in a position today to indicate to the House that the eightieth youth advisory council has been established, and it met in Shark Bay this week for the first time. Currently 1 300 young people are members of youth advisory councils throughout the State, and \$1.5m in grants has been allocated to local areas in the main via the youth advisory councils. Through those youth advisory councils, 43 skate parks and many programs have been established, including youth facilities, youth cafes and programs to address the tough issues on the ground. Youth councils are playing a prominent role in developing policy and programs in Western Australia, and I encourage all members to make contact with the youth advisory councils in order to get close to the youth in their areas.

POLICE, TRANSFERS IN GOLDFIELDS REGION

452. Ms ANWYL to the Minister for Police:

- (1) Is it correct that police officers in the goldfields police region have been advised that no further transfers will take place until at least May 2000 because the Police Service has no funds to pay for removal and transfer costs?
- (2) If it is correct, is the problem more widespread than in just the goldfields police region?
- (3) If it is not correct, will the minister guarantee to goldfields police officers that their transfer applications will be approved?

Mr PRINCE replied:

I thank the member for the question and for some notice of it.

(1)-(2) No.

(3) Police officers who have completed their minimum tenure obligations are eligible to apply for transfer.

Ms Anwyl: They have been told they cannot go because there is no money.

Mr PRINCE: I think the member will find that this particular officer whose spouse has been moved and wants to go has not completed his minimum tenure.

Ms Anwyl: It is more than one officer.

Mr PRINCE: If and when a police officer is successful in obtaining a position, the transfer will be approved. On the point of tenure, which has been something of a vexed issue, the commissioner held a police service command on Monday, which included representatives from all over the State from various ranks, and they discussed the question of tenure. There will continue to be minimum tenure, but maximum tenure will vary, as soon as they work out the details, so that it is subject to performance in the commissioner's opinion, and obviously also to whether a person wants to stay in a particular place. Minimum tenure of three years will remain.

NORTH QUINNS PRIMARY SCHOOL

453. Mr MacLEAN to the Minister for Education:

Will the minister please advise the time line for public consultation and construction of the new North Quinns primary school?

Mr BARNETT replied:

I thank the member for Wanneroo for the question. He represents an area which is growing rapidly in population, and a couple of new schools have opened in that area this year. North Quinns is also an area of rapid growth. A process of consultation with the parent and school community is taking place. Discussions will cover what the community is looking for from the school. Once that is completed, we expect to go to tender in about March next year and, with that scenario, the new school will be open for the beginning of the 2001 school year.

MAIN ROADS WA, MID WEST AND WHEATBELT MAINTENANCE CONTRACT

454. Ms MacTIERNAN to the Minister for Regional Development:

I refer to the Main Roads WA's \$244m term maintenance contract for the mid west and the northern wheatbelt awarded to CSR Emoleum Road Services last week.

- (1) Has the Minister taken any steps to ensure that the specific provisions contained within this \$244m contract are sufficient to protect regional businesses in the mid west and the wheatbelt?
- (2) In particular, did the minister's department review the regional development component of this massive contract before it was signed?

Mr COWAN replied:

- (1)-(2) I did receive some assurances from the Minister for Transport that the requirements that are built into the tenders that offer opportunities for contractors within the region will be met, and I understand that will be the case. When the contracts are let, a requirement is imposed upon the preferred bidders to hold a seminar or forum with all the businesses which have expressed an interest in delivering services to the person who wins the term network contract. That has been complied with. In that forum, certain undertakings were given, and my understanding is that the assurances from the Minister for Transport -

Ms MacTiernan: Are you just operating on assurances given by the Minister for Transport?

Mr COWAN: That is quite satisfactory for me. Mr Speaker, the member for Armadale needs to understand that you gave her the opportunity to ask a question, and that, having asked the question, she should at least have the politeness to allow it to be answered rather than ask another series of questions while I am on my feet, because I have no intention of responding to those further questions.

I have been given assurances by the Minister for Transport about the requirements that are built into the tender process and that the contractors who exist within the mid west region of Western Australia will be given every opportunity to continue to deliver their services. That is an assurance which satisfies me. However, because the member has asked a specific question about whether the Mid West Development Commission has looked -

Ms MacTiernan: I asked whether your department has looked.

Mr COWAN: Well, the Mid West Development Commission falls within my responsibility and because it is responsible for the mid west region and certainly has an interest in local content, it would be the appropriate body. I will ask the commission to seek the assistance of the regional development division of the Department of Commerce and Trade to identify examples of how the interaction between the term network contractor and the local businesses is being applied and to ensure it is working.

MAIN ROADS WA, MID WEST AND WHEATBELT MAINTENANCE CONTRACT

455. Ms MacTIERNAN to the Minister for Regional Development:

I have a supplementary question. Is the minister prepared to table the relevant provisions of this contract so the House can review whether there are proper protections?

Mr COWAN replied:

That quite rightly is a matter for the Minister for Transport. Again I can ask the Minister for Transport that question and I will give the member an answer in due course.

HOUSING, SENIORS

456. Mr MARSHALL to the Minister for Housing:

I understand the Minister for Housing has a strong commitment -

Several members interjected.

The SPEAKER: Order! I have stood up because the member for Dawesville has been given the call and is trying to ask his question but members from both sides, including very senior ministers, are interrupting him.

Mr MARSHALL: I understand the minister has a strong commitment to providing accommodation which meets the specific needs of seniors. Can the minister outline the ministry's commitment to the Year of Older Persons?

Mr Graham interjected.

The SPEAKER: Order, member for Pilbara!

Dr HAMES replied:

Under this Government the Ministry of Housing has a strong commitment to seniors in Western Australia. The member for Dawesville will be particularly interested because his electorate has the highest percentage -

Mrs Roberts: Because he is a senior.

Dr HAMES: Members opposite are making rude comments about the member for Dawesville. The electorate of Dawesville has the highest percentage of seniors in Western Australia followed by the electorate of Alfred Cove and my own electorate. The Government is putting \$1.5m into a special program of building houses for seniors. It recently launched in Bentley the first unit in a seven-unit complex, another complex is being built in Mandurah and a third in Tuart Hill. In all, the Government will build 21 houses which will have special features to cater for the needs of seniors; things like special ceiling radiant heating, elimination of steps inside and outside the units, sloping floors in shower recesses, wider passageways and doorways, and recessed kickboards to enable wheelchair access to kitchen benchtops. The cost of the Bentley project is about \$460 000. In 12 months we will return to those houses and review with the seniors who are using them whether we have provided all the right features and whether they work as well as we think they will. Those special features will become part of the normal construction of seniors' housing in Western Australia as 25 per cent of the units constructed through Homeswest are for seniors.

MOTOR SPORT COMPLEX, KWINANA

457. Mr McGOWAN to the Premier:

I refer to the Premier's planned motor sport complex in Kwinana.

- (1) Why has the Premier refused to meet with the Kwinana Industries Council to discuss its concerns about the location of this project?
- (2) Does the Premier have any concerns about the proposed site given the problems of noise, societal risk and threats to industry?
- (3) Is the Premier prepared to give the same commitment to local residents in the Kwinana/Rockingham area that he gave in relation to Leighton Shores; that is, that this project will not proceed without broad community support?

Mr COURT replied:

(1)-(3) I understand that the Ministers for the Environment and Planning met the Kwinana Industries Council in the past week.

Mr McGowan: Why won't you?

Mr COURT: I do not have a difficulty with meeting the Kwinana Industries Council. It is important that the relevant ministers meet with the council. Why is the Opposition so opposed to this motor sport complex?

Dr Gallop: We are not opposed to it.

Mr Kobelke: It is the location.

Mr COURT: Where would the Opposition put it?

Dr Gallop: You are proposing to put it in a major area -

Mr COURT: I would support that - I have lived next to the Claremont Speedway all my life and I have not had any difficulty with it at all.

Mr McGowan: Why do you not meet with the people involved and get their side of it?

Mr COURT: I do not mind meeting the people but I think that the people interested in that sport deserve a reasonable quality sporting complex.

Dr Gallop: That is not the issue.

Mr COURT: If the Opposition can come up with a location for it, it should tell us. However, if it wants to sit back and knock, and be critical of it -

Dr Gallop: I tell you what, we are happy to go over to that side of the Chamber any time.

Mr COURT: We are actually doing it. We want to provide these people with some decent facilities. However, I want to say in relation to this -

Mr McGowan: Just because they live in a Labor electorate you are going to put a drag racing strip right next to their houses.

Mr COURT: The member for Rockingham cannot have it both ways. It is next to an industrial area and the member is saying there is a societal risk. My friend wants to be a bit careful how he uses those arguments because they might backfire on him.
