WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FOURTH PARLIAMENT
FOURTH SESSION
1996

LEGISLATIVE COUNCIL

Tuesday, 22 October 1996

Legislative Council

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THE DEPUTY PRESIDENT (Hon Barry House) took the Chair at 3.30 pm, and read prayers.

MOTION - URGENCY

Gold Royalty

THE DEPUTY PRESIDENT (Hon Barry House): I have a letter addressed to the President of the Legislative Council, as follows -

> Pursuant to SO 72, it is my intention at today's sitting to move that the House at its rising, adjourn until 9.00 am on January 10th 1997, in order to urgently consider: -
>
> (1) calls by senior cabinet members for a gold royalty and;
>
> (2) the failure by other senior members of the Government to provide leadership on this important issue, which is vital to regional Western Australia, will severely reduce economic acitivity in Western Australia and has the capacity to make uneconomic large reserves of gold within Western Australia.
>
> Yours sincerely
>
> Hon Mark Nevill MLC
> Member for Mining & Pastoral Region

In order to discuss this matter, support is required from at least four members standing in their places.

[At least four members rose in their places.]

HON MARK NEVILL (Mining and Pastoral) [3.34 pm]: I move -

> That the House at its rising adjourn until 9.00 am on 10 January 1997.

I want to take the opportunity in the 15 minutes allocated to me in this debate to educate some of the members of this House who do not understand the effect of a gold royalty.

Hon P.R. Lightfoot: Most of them are on your side.

Hon MARK NEVILL: There seem to be a lot of vocal ones on the member's side. I am very interested to know whether the member supports a gold royalty and whether he supports his Deputy Premier, Hon Hendy Cowan, and the Minister for Resources Development.

Hon E.J. Charlton: You should have raised it in the other House.

Hon MARK NEVILL: I am raising it here. I am not a member of the other place. Hon Colin Barnett has argued on numerous occasions for a gold royalty and has said it is inevitable. He has been joined by little sir echo, the Leader of the National Party, Hon Hendy Cowan, who is also calling for a Western Australian gold royalty or production tax. The Deputy Premier called for that at Karratha, certainly not in the Kalgoorlie area. While those two Ministers have been actively fostering the call for a gold royalty, the Premier has stood silently by and disingenuously said that a gold royalty is not on the agenda. Regional Western Australians want a commitment from the Government, not a hollow statement about a gold royalty not being on the agenda. The Premier must show some leadership on this issue, as must Hon Norman Moore when he responds in this debate. I hope members opposite will rule out a royalty during the next four years of government, if they are fortunate enough to be re-elected.

I want to put some arguments to members as to why a gold royalty should not be implemented in this State and why it is not in the State's best interest. Some people say that gold is the same as any other mineral, but it is not. It has been dealt with differently from every other mineral since the days of Croesus or even earlier than that. Gold and silver have always been reserved to the Crown and have been royal minerals. Gold has always been an important part of our monetary system. Every major Government in this world has gold reserves, as does the International Monetary Fund. During the war under the Bretton Woods agreement gold was fixed at $35 an ounce. The Gold Standard continued until 1971, when the United States realised that it did not have the gold to exchange at $US35 an ounce. That is when Nixon took the United States off the Gold Standard. The countries that really suffered during that 40 year period were South Africa and Australia. People in my electorate lived in penury in many cases during

that period when they received an artificially low price for gold. After the war the Federal Government had a subsidy for gold production varying up to $12 an ounce because it was seen to be of such importance to the economy. Gold has always been treated differently from any other metal and to suggest we can equate mining iron ore with mining gold is wrong. In the Pilbara we have 640 000 parts per million of iron ore. In gold production that rate is down to 1.5 parts per million, which is very different and much more sensitive to mining costs.

In 1971, after the United States went off the Gold Standard, the major financial institutions throughout the world tried to devalue gold. Fortunately they were not successful. A royalty is not the same as a gold tax. A gold company tax is paid on profits after it has made its money, but a gold royalty is a cost on production. It does not matter what the gold is sold for, the producer will have to pay a royalty set at whatever. That is paid whether he makes a profit or loss. It is paid at $25 an ounce, if we are looking at a 5 per cent royalty. A gold royalty is indiscriminate about whether a producer makes a profit. If we add $25 an ounce to the production of a mine, the producer will remodel the mine to cut out all of the ore being mined at up to $25 an ounce profit. All that ore is cut out and the open pit is remodelled to take in that ore that is then profitable.

The ore reserves of every mine in this State can be compared with a pyramid: At the top is a small amount of tonnes of very high grade ore, and down the bottom are many tonnes of very low grade ore. A 5 per cent royalty does not wipe out 5 per cent of the ore reserves. In some cases it can wipe out a mine and in other cases, 50 per cent of the reserves. In deep mines uneconomic ore is being trimmed off; that is ore that has been made uneconomic by the royalty. Economic activity in the State is being reduced. That reduces the employment levels in a mine and the capital equipment and the goods and services that are used in mining that lower grade ore; and it is very unlikely that grades of ore will be mined at 1.5, 1.6 or 1.7 grams per tonne. That will mean coming back and taking another big slice off the side of that mine. The stripping ratios will become massive. The Government should have no doubt about the effect of this gold royalty: It will sterilise forever large low grade reserves of gold. This is not propaganda; the royalty will result in the high grading of mines.

Members must realise that this is not a tax on profit; it is a tax on the cost of production. Western Australia has been the world leader in gold exploration, metallurgy and mining technology over the past 15 or 20 years. Ten years ago we were mining deposits at 2.5 grams a tonne. We are now mining them at 1.5 grams a tonne. The reason that we can mine those low grade ores is the fact the industry has been royalty free for all that period; in fact, company tax free until 1991. The gold industry has been one of the engines of the Western Australian economy for the past 10 to 15 years. It benefits every member's electorate.

Hon Derrick Tomlinson: It has since 1890.

Hon MARK NEVILL: That is true. However, when the price of gold was kept artificially low the people in my electorate bore the brunt of that suffering, and the benefits that could have been generated were not passed to other areas of this State. The forefathers of some members opposite made their fortunes in the gold mining industry, and then moved into other pursuits.

Hon Derrick Tomlinson: Kalgoorlie kept us in the federation.

Hon MARK NEVILL: Kalgoorlie has been a leading centre of political thought since the 1890s, and still is. Kalgoorlie is the reason that we stayed in the federation. I hope the Government does not give us a reason to secede, because I would hate to support Hon Ross Lightfoot in a debate. If the Government were to bring in a gold royalty it would quite dramatically reduce the activity in the gold mining industry. That would mean lower receipts of company tax and payroll tax. The mining industry is the principal contributor to payroll tax in this State; it pays about 80 per cent of payroll tax in this State. The Government will wipe out a lot of revenue from that. The mining industry is a massive contributor to sales tax and various other fuel and government imposts. Despite the small number of people that the mining industry employs, it is responsible to a large degree for the standard of living that all Western Australians enjoy and that some of us seem to take for granted and think grows on trees. The result of a gold royalty will be a significantly lower tax take. What the Government receives in one hand, it will lose from the other.

Ten years ago the mills around the goldfields were milling about half a million tonnes of ore a year. New mills usually mill double that volume. That is how efficient the gold mining industry has become to survive. Australia is producing $3b worth of gold, and about $300m to $400m is spent on exploration, which sounds wonderful. However, gold is hard to find, and the industry is not as solid as one might imagine; in fact, the industry is in a precarious state. The reason that production in the industry is kept so high is technological advances. Those advances occurred in a royalty free environment. Goldfields companies are blazing the way in every continent of the world. Goldfields drilling companies are the leaders in drilling technology. They work on all the continents. Metallurgical companies are at the forefront of technology. They work on every continent in the world including

South America, Africa, Asia, and Europe. Our mining engineers traverse the world, as the American mining engineers did at the turn of the century. Western Australian mining engineers are now world leaders.

Hon Derrick Tomlinson: We have the Kalgoorlie School of Mines.

Hon MARK NEVILL: Absolutely, and it must remain a key part of education in this State.

Hon N.F. Moore: It will.

Hon MARK NEVILL: I am pleased to hear the former Minister for Education say that. Goldmining companies are not returning fat profits. The financial pages of *The Australian Financial Review* or *The Australian* indicate that not one goldmining company has a dividend yield above 4 per cent, and most do not even declare a dividend. Most goldmining companies return the money to the ground through exploration. Most of the money made in goldmining is in share trading; it is a good sport. However, it also draws money into the industry and it produces a product that is easy to sell. Gold can be mined in the middle of Australia, because it can be taken out in a suitcase. That cannot be done with iron ore or other base metals. Gold will always have a market. In this case, the Government should not help kill off the gold industry by imposing a royalty.

The Government's aim should be to maximise the return to the community. My argument today is that a gold royalty will not necessarily maximise the returns to the community, because revenue will be lost in that process. Some pretty superficial arguments for a gold royalty have been reported in the Press by people who equate a gold royalty to a tax or who do not understand the real contribution that the goldmining industry has made to this State over the past 100 years and particularly over the past 15 years.

Hon Kim Chance: It is not even a resources rent tax.

Hon MARK NEVILL: If the Government wants to impose taxes on the gold industry it should forget about royalties. I am not advocating this, but the Government should look at resource rent taxes. The Deputy Premier, Mr Cowan, and the Minister for Resources Development have not even mentioned a resource rent tax. They are still living in the dark old days of royalties, and no-one except those people who do not know the industry are talking about that. It is important that the Minister for Resources Development and the Premier give a commitment to the goldmining industry in Western Australia that the Government will not introduce a gold royalty.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [3.48 pm] I agree with about three-quarters of what Hon Mark Nevill has said.

Hon Tom Stephens: You are going to get stuck into Mr Cowan?

Hon N.F. MOORE: I do not support a gold royalty. However, what we have heard today is a second string in the Labor Party's bow in its campaign for the forthcoming election. Last week the Labor Party had a whinge session about the good things the Government had done. Today it is scaremongering about what the Government might do. I suspect this is how the Labor Party will proceed from now on. One day it will whinge about the good things we do and the next day it will scaremonger about the things we might not do. It will depend on what the Labor Party dreams up from day to day. Let us have a quick look at Labor Party's history in respect of the gold industry. In fact, I am surprised that Hon Mark Nevill raised the issue today.

Hon Mark Nevill: We are interested in the future; we do not live in the past.

Hon N.F. MOORE: The member would be happy to forget the past, about which I now remind him.

Hon Mark Nevill: We have nothing to be ashamed of in gold mining.

Hon N.F. MOORE: I would be ashamed if I were Hon Mark Nevill. We now have a tax on gold in Australia, introduced by the Hawke Labor Government, although I acknowledge that Hon Mark Nevill and his colleagues in Kalgoorlie marched against that tax.

Hon Mark Nevill: We kept it off for six years.

Hon N.F. MOORE: The literature on this matter indicates that both sides of politics were opposed to the gold tax. Indeed, when Hawke introduced it in 1988 - it came into effect in 1991 - it was opposed by the then federal Opposition led by John Howard. Let us consider the effects of the gold tax.

Hon Mark Nevill: I hope you're not trying to justify it.

Hon N.F. MOORE: Not at all; I opposed it then and I oppose it now.

A headline in *The West Australian* of 1991 read "Tax helped to kill the boom: miners". The story relates the effect of the gold tax on the boom in the gold industry. More importantly, I show members a graph indicating gold production in Western Australia from 1985 to 1995. The graph line rises rapid until 1991, the year that the gold tax was introduced, then it flattens out dramatically.

Hon Mark Nevill talks about preserving gold reserves in Western Australia, but he should consider gold production following the introduction of the gold tax by his Labor colleagues in Canberra. He cannot have it both way; he says he believes in one thing, yet his federal colleagues do the opposite. Let us consider the Labor Party's position with the gold industry in Western Australia. Members will remember the proposal by Hon Ian Taylor, the former member for Kalgoorlie, to apply a gold levy back in 1988. I had a quick look at some of the figures: If his proposal had been implemented, a levy of $10 an ounce would have applied for open cut mining, and a levy of $2 to $3 for deep cut mining. I am told that a 2.5 per cent royalty represents about $13 an ounce. Therefore, the then Minister Taylor, member for Kalgoorlie, and member of the Labor Party Government, advocated a levy on the gold industry almost equivalent to that of the gold royalty which Hon Mark Nevill so vociferously opposes.

The member should consider his history. He cannot have it both ways. When in government at a state and federal level, his party acted in a different manner from the way he argues. I have always argued against a royalty. Unlike Hon Ian Taylor, I have never argued that goldmining in Kalgoorlie must start to pay its way through the imposition of a levy; although he did not call it a royalty, it was roughly the equivalent of a gold royalty. I acknowledge that it was only $2 or $3 an ounce for deep cut mining, but for open cut mining it was $10 an ounce compared with a royalty of $13 an ounce. The member's colleague advocated a levy on gold. That proposition was rejected by the Kalgoorlie Town Council, by the Amalgamated Prospectors and Leaseholders Association and by the gold industry, yet it was promoted by a Dowding Government Minister from Kalgoorlie, not from Albany, Kununurra or Geraldton.

The Labor Party introduced the gold tax at the federal level, and a Labor local member advocated a gold levy. Also, the former Leader of the Opposition, the present Deputy Leader of the Opposition - one can argue that the seat is being kept warm for him, which is a subjective view some of us make about changes made in the Labor Party - said in a speech to a dinner in July 1995 words to the effect - I am happy to be corrected in this regard - that a gold tax was an historical anomaly; he said that there was no reason that the gold industry should not be subjected to the same taxes as those applying to other industries. It is well known around the place that Mr McGinty supports a gold royalty.

Hon Tom Stephens: That is not true.

Hon N.F. MOORE: It is from his own mouth. However, he was trodden down by Caucus which said, "Come on, Mr McGinty; it is not politically sensible for us to have that royalty. We could lose the by-election in Kalgoorlie if we talk about a gold royalty. Change your mind, and toe the party line." The party line is for no gold royalty.

Hon Mark Nevill: We want to know what your Government will do.

Hon N.F. MOORE: Hon Mark Nevill raised this matter. I am outlining his record so he knows where we all stand. Hon Ian Taylor, a Minister in a Labor Government, talked about a levy, and the former Leader of the Opposition said that the gold industry should be treated no differently from any other industry. However, just before an election, the Labor Party is reaffirming its opposition to the gold royalty.

The Opposition's motion asked for a senior member of Government, presumably me as Leader of the House, to provide leadership. It is not a question of leadership. Mr Barnett and Mr Cowan expressed support for a gold royalty, but neither Mr Court nor I have expressed that view. Members of this Government have different views about different things, and members' views do not matter until they become government policy.

Hon Graham Edwards: It is the same as the situation with Ian Taylor. You just buried yourself.

Hon N.F. MOORE: Mr Taylor had the support of the Government.

Hon Graham Edwards: He didn't have the support of the Government.

Hon N.F. MOORE: Of course the Government supported it; it was all over the place like a rash. In fact, he got $1m out of Kalgoorlie Consolidated Gold Mines at the time. It was a case of, "Pay up, or we'll take it off you." I was there when it happened, Mr Edwards. He took a heap of money out of those pockets by saying, "If you do not give it to us now, we will legislate for it."

I am, presumably - for the time being at least - a senior member of the Government, and the gold royalty will be implemented "over my dead body". When it is raised in the forum of the Liberal Party, and anyone wants to change our policy, they must fight me and many of my colleagues. As Hon Mark Nevill has done, we will fight gold royalties so that the party policy remains. If I lose that fight, I will have to put up with the nonsense Hon Mark Nevill faced

when the gold tax was introduced. He buried his head in the sand and said, "I'm trying to ignore my colleagues in Canberra."

This motion is scaremongering. The Government has no intention of bringing in a gold royalty; it has not even been discussed by the Government. It is no different from Hon Alannah MacTiernan having a view about pot, which I suspect to be different from the views of some of her colleagues. If she supports its legalisation, it does not mean that everyone else does.

Hon A.J.G. MacTiernan: Party policy is its decriminalisation.

Hon N.F. MOORE: I thank the member for that. Does the member have a view on heroin too? It is a pity that we have run out of time.

HON P.R. LIGHTFOOT (North Metropolitan) [3.59 pm]: Although I find it anathema, I agree with the substance of Hon Mark Nevill's argument in the House today. It is obviously valid that a royalty, or any other form of tax, should not apply to gold. The argument is not based on gold being a diminishing commodity which cannot be reproduced and, therefore, we should tax it. We should not have a culture where we tax everything, although we are developing that culture. We should deviate from that culture and have some lateral thinking, such as when the Federal Government used its initiative under the Income Tax Assessment Act to give tax holidays on investment in the film industry with a 150 per cent write-off. That write-off was subsequently dropped to 125 per cent, and I think it still operates at that level. That led to the renaissance of the film industry in Australia.

I disagree with Hon Mark Nevill's statement that the Premier has been silent on the issue of a gold royalty. The Premier has said categorically and unambiguously that there will be no royalty on gold. I do not know how one can be plainer than that. I do not like to see, just before an election, Hon Mark Nevill coming out as the defender of the faith, the white knight on the big Clydesdale charger, riding down Hannan Street and saying, "I will slay anyone who dares to mention a tax or a royalty on gold", when the evidence is quite clear that the socialist party to which Hon Mark Nevill belongs has long ached to take up the issue of a gold royalty. I am not saying that is necessarily what Hon Mark Nevill is doing, but he is dependent for his place in this House largely on the mining industry, and I do not blame him if that is what he is doing, because he is in the people business, as I am in the people business. I do not have the parochial view of politics that Hon Mark Nevill has, but I do have a view that covers Western Australia in particular and Australia in general.

Western Australia is the greatest producer of gold in this nation; it produces around 80 per cent of this nation's gold. Therefore, anything that impinges upon gold negatively will hurt Western Australia. We are the third largest producer of gold in the world, after South Africa and Russia. In 1995, South Africa produced 584 short tons of gold, the USA produced 331 and Australia produced 255. If Governments do not interfere and if Governments let the gold industry get on with the job of doing what it does well - and Western Australia happens to do it better than any other part of the world, because we produce the lowest grades of gold most efficiently from the vast areas in which it is deposited -

Hon J.A. Scott interjected.

Hon P.R. LIGHTFOOT: I do not have time to argue with my partly coherent colleague Hon Jim Scott.

Hon P.H. Lockyer: With his vast knowledge of goldmining.

Hon P.R. LIGHTFOOT: With his vast knowledge of goldmining, as my colleague from Carnarvon has said.

Western Australia is a big producer of gold and contributes significantly to the nation's wealth as a result. By the year 2001, the third millennium, we will producing, on the figures that we are able to project and extrapolate from today, 360 tons of gold annually. That will make us the second biggest producer in the world. In South Africa, the mines are getting deeper and the grades are getting lower. In Western Australia, the discovery of new deposits is being impeded, and our grades have dropped marginally. The Coolgardie gold boom was the second big gold boom in Australia, and 530 ounces of gold to the ton were mined during the first year of the Bailey's Reward mine. Ford and Bailey were credited with discovering the Coolgardie gold reef. That is, in metric terms, 16 000 grams per ton. The average number of grams per ton that Western Australia is mining profitably at the moment is not 16 000, not 1 600, not 160 and not 16, but about five or six grams per ton. However, the margin is so fine that if there was any tampering with it, particularly by the dead hand of government, that grade would rise and we would not achieve 360 tons of gold by the end of this millennium, and the nation would suffer as a result.

This Government said during its first year in office that the $12.5b worth of commodities being produced by this State in that year would be doubled by the third millennium. That is a very ambitious project, but I believe that given the right cooperation and the right global economics, we are well on the way to honouring that commitment. In fact, I think the amount is already between $17b and $18b for the 1996-97 financial year. We do not want the dead hand

of government to interfere with that objective. Federal and State Governments are already imposing plenty of taxes on the goldmining industry in the form of personal income tax, company tax, sales tax, excise fringe benefits tax and a range of other taxes. The Government does not want to appear miserly by imposing a gold tax that would be revenue neutral, as Hon Mark Nevill and the Leader of the House, Hon Norman Moore, have said.

The best thing both State and Federal Governments can do is keep out of it. The State Government has already given a commitment that it will keep out of it. We should not take out of context two voices out of the dozens who say that under certain circumstances there should be a royalty on gold. If the goldmining industry was booming in a manner that warranted our looking at a gold tax, of course we should look at it, but I do not believe in, nor would I ever support, a royalty on gold at the moment. In fact, it is only because some goldmining companies have been so assiduous in their gold sales by selling forward that they are making profits today. Sons of Gwalia Ltd is not obtaining the spot price, which is $US380 an ounce, or about $A455, but is obtaining $A662 by selling forward; and Newcrest Mining Ltd is obtaining $585, North Flinders Mines Ltd is obtaining $563, Normandy Poseidon Limited is obtaining $581, Plutonic Resources Limited is obtaining $530 and Gold Mines of Kalgoorlie Ltd is obtaining $601. It is this assiduous marketing that has enabled these goldmining companies to make profits. I do not know what would happen when their contractual arrangements with their overseas buyers runs out and they mine at the spot price, if they were saddled with another cost.

My plea to any future Government - and we cannot always lay claim to the Treasury benches necessarily - is that we nurture and look after the goldmining industry, because it has served Western Australia and Australia very well over the past 100 years, and that we do not impose a gold royalty. We should think laterally. We import on aggregate tens of millions of dollars annually of ferric chrome and platinum. Why cannot the Federal Government use its taxation powers to say, "You can continue searching for those two commodities in Australia, and if you find them, which will allow us to improve our balance of payments, you can have those commodities tax free for 10 years." I would like to see Governments use forward thinking about Australia and not follow the culture of taxation, or of a gold royalty in this case, because there is no economic need for that and I would not support a tax of that nature.

HON J.A. SCOTT (South Metropolitan) [4.09 pm]: It always amuses me to hear the champions of the level playing field and the free market say that one industry or another should be exempt from the level playing field and should be given benefits that other mining industries, in this case, do not receive.

Hon P.H. Lockyer: Are you saying gold should be taxed?

Hon J.A. SCOTT: Yes. The goldmining industry should pay its way the same as everyone else.

Hon P.R. Lightfoot: They do!

Hon P.H. Lockyer: Is Hon Jim Scott, the Greens member, a supporter of a gold tax?

Hon J.A. SCOTT: Let us hear what Hon Jim Scott has to say! Every resource industry that has permission to extract a resource and sell it receives a benefit from this country.

Hon P.R. Lightfoot: So do you!

Hon J.A. SCOTT: Yes, in many cases, I do. In some cases, we pay for the clean up. Some problems have evolved as a result of our mollycoddling the coal industry. Considerable costs have been thrust upon the population by very poor management by successive Governments - Liberal Governments initially and then Labor Governments - trying to shore up their political ends.

Hon A.J.G. MacTiernan: It is like the wine tax going to the south west!

Hon J.A. SCOTT: Two power stations south of Perth run on coal. They could produce an extra 260 megawatts of electricity and obviate the need for the Collie power station. That would be conditional on turning those power stations to gas but it would certainly mean less pollution and cost. Members opposite are not interested in that kind of level playing field.

When a resource is dug up and sold, we lose an asset, and we are no better off. Any business which sells an asset will not be better off, because it will merely capitalise on its asset. Any accountant will recognise that.

Hon P.H. Lockyer interjected.

Hon J.A. SCOTT: I can see that Hon Phil Lockyer does not understand. It is very difficult for some people to comprehend something simple, especially if it is outside their paradigm of understanding.

Hon P.R. Lightfoot: Stop knocking the State. You should be looking after Western Australia.

Hon J.A. SCOTT: The goldmining industry should be taxed in the same way as any other industry. I do not mind how that is done, because the mining companies receive a benefit from digging up the resource.

Hon P.R. Lightfoot interjected.

Hon J.A. SCOTT: Hon Ross Lightfoot said the film industry had been given a real impetus. The difference is that the film industry uses people's intelligence; it does not involve the sale of an asset.

Hon P.R. Lightfoot: I used to be a member of Actors Equity.

Hon Kim Chance: I would not take any notice of the Nickel Queen.

Hon J.A. SCOTT: There is a big difference between the film industry and the gold industry. One involves a renewable asset that when sold can be used again. It is a different concept. Currently, in Western Australia and Australia-wide, royalties or resource taxes do not provide a benefit to the community from which they come, and the resource becomes even more exploited. Those taxes or royalties should be returned for the benefit of the community from which they came, and thereby build up middle level industries -

Hon P.R. Lightfoot: Do you want one and a half million people in the goldfields and perhaps 35 000 in Perth?

Hon J.A. SCOTT: I do not want that. I want an environmentally sensible spread of the population. The atmosphere of the goldfields is too polluted for so many people to live in the area.

Hon B.K. Donaldson: Rubbish!

Hon J.A. SCOTT: So, 4 000 micrograms a cubic metre of sulphur dioxide is not heavy pollution!

Hon B.K. Donaldson: The area is not polluted.

Hon J.A. SCOTT: It is a significant level of pollution. It is more than 10 times the level set by the World Health Organisation, and it is a level at which people can die.

Hon B.K. Donaldson: Have you seen the changes up there lately?

Hon J.A. SCOTT: With a 100 microgram increase above a background level, there is a 12 per cent increase in deaths from heart attacks, for instance. People who say that the resource industry should not pay for taking out the resource also say that the industry should not clean up the mess it creates.

Hon P.R. Lightfoot: It does, because that is a condition of mining.

Hon J.A. SCOTT: The cost is borne by the community. Those industries should be the basis on which further industries can grow. This State has a "dig it up" mentality. Instead of a resource being used as a springboard to create a real manufacturing industry in this State, the royalties go to Perth and Canberra and are disseminated in an ineffective way. The people of Kalgoorlie should benefit from the goldmining industry, just as the people in the Pilbara should benefit from the taxes on gas and iron ore. In this State, many vested interests are holding tight to their advantages. Those advantages flow to very few people.

Much of the arguments put by Hon Ross Lightfoot and Mark Nevill might be okay except that the huge amounts of money being made by the second largest producer in this State - as pointed out by Hon Ross Lightfoot - will do us no good if the industry is not owned by Australians. I understand that a considerable amount of the gold production in the goldfields is owned by companies such as De Beers -

Hon Mark Nevill: It does not own one goldmine.

Hon J.A. SCOTT: Although it appears that we are doing very well in Australia, it is the multinational companies who are doing well. Hon Ross Lightfoot may laugh, but how do people in Kalgoorlie with nothing to do with the gold industry benefit from such companies not paying their way?

Hon P.R. Lightfoot: Those people have everything to do with the gold industry. What nonsense!

Hon J.A. SCOTT: The goldfields has the pastoral industry and a number of other industries. Those industries are the basis upon which real development should occur. We should not have the sort of exploitation that is occurring in this State today. The neo-colonialist Court Government wants to extract as many resources as it can and send them overseas so that the Government's masters can take all the profit - polluting Western Australia in the process. It says that the companies should not pay their way; we must look after them because, after all, they are only multimillionaires! We have heard the argument about how well the companies have done, how forward thinking they are, how well they have marketed the product, and how much money they have made as a result. They have all that

money, yet the Government thinks they should not pay their way. That is crazy! Many people have become multimillionaires and are doing very well. They can afford to pay a little more.

Hon Derrick Tomlinson: Are they the multinationals?

Hon J.A. SCOTT: They are multinationals -

Hon Derrick Tomlinson: I thought you said that no-one in Australia benefits.

Hon J.A. SCOTT: Some people benefit, but many companies are overseas owned. I do not say that is wrong, but the argument that it is beneficial for us is nonsense.

Hon P.R. Lightfoot: It is a global village.

Hon J.A. SCOTT: If we want a level playing field, it should be achieved in a proper fashion. We should not cheat. Everyone should be on the same footing, otherwise it will be very difficult for other industries to succeed, because they must pay for the companies that do not pay their way. When we have a true level playing field, we will see how well the various industries operate.

HON P.H. LOCKYER (Mining and Pastoral) [4.20 pm]: It was not my intention to speak during this debate. I will leave sufficient time for Hon Mark Nevill to make his concluding remarks. I was forced into speaking by diatribe from my colleagues opposite. It is spurious nonsense and outrageous to suggest that most people in the town of Kalgoorlie will not benefit from goldmining.

People who have recently been to Kalgoorlie well know that without doubt it is the most progressive and profitable small business town in Western Australia, if not Australia. Not too many empty shops or offices can be seen in the main street of Kalgoorlie. With the greatest of respect, I suggest that Hon Jim Scott take a trip there soon. He obviously has not been near the place for a while.

Hon Mark Nevill: Nothing is impossible in Kalgoorlie.

Hon J.A. Scott: I have been there.

Hon P.R. Lightfoot: If you keep talking about a gold rort you may go there, but you may not come back.

Hon P.H. LOCKYER: I know that Hon Ross Lightfoot has great knowledge of this area. I have admired him for years as he has filled his pockets from being involved in the industry.

Hon P.R. Lightfoot: I do not have any vested interests now; my hands are clean.

Hon P.H. LOCKYER: Some of the members on my right who are normally well behaved, such as the shadow Attorney General, are being chatty today.

The DEPUTY PRESIDENT: Order!

Hon P.H. LOCKYER: I too was annoyed by some of my colleagues suggesting that a gold tax should be imposed, because I am vigorously opposed to it. Over the years I have admired the way the Labor Party has usually kept conflict within its ranks behind doors. It is no secret that when remarks were made about the gold tax some very vigorous debate occurred within the coalition party room. With many of my colleagues I took the opportunity of reminding some of my Ministers that they do not speak for me when they talk about a gold tax. Like Hon Norman Moore, I said that I would take my chances when coalition members voted on whether they thought a gold tax should be imposed.

I have the odd punt or two and the odds are about 5:1 on that a gold tax will not eventuate. I do not believe a gold tax is likely to be imposed. It would be great folly for this Government to implement one. The sole reason that not only Kalgoorlie but also places such as Leinster and Leonora are progressing is goldmining. If we were to tax the gold industry tomorrow it would suffer the same fate as the pastoral industry. Hon Jim Scott said that Kalgoorlie was supported by the pastoral industry. If it were not for mining companies buying stations around Kalgoorlie, those stations would probably all have gone broke. The sons of the pastoralists work at the mines to help keep the pastoral stations viable; on their weekends off in between fortnights they give their parents a hand. They have the gold industry to thank for that. Rather like Hon Ross Lightfoot, I do not believe that we have to tax everything. The production of gold involves a multitude of taxes without our having to tax the actual product.

Although I agree with the sentiments of Hon Mark Nevill, I disagree with his accusations that coalition members have not given some of their senior Ministers a verbal clip under the ear. I have witnessed that and I have reminded a couple of Ministers that they should not be talking about a gold tax, particularly one Minister, in whose electorate the possibility of a goldmine is remote.

HON MARK NEVILL (Mining and Pastoral) [4.23 pm]: A couple of government members stated that they were opposed to a gold royalty. However, sufficient argument has been made for the Government to make a commitment to the people in this State, particularly in regional Western Australia, that it will not institute a gold royalty. If the odds in the party room against a gold tax are, as Hon Phil Lockyer says, 5:1 on, what does the Government have to lose other than to see a couple of Ministers embarrassed who have said things in public that they should not have said?

I am not too clear about the scope of the gold levy. It was to be paid out of profits, rather than be taxed as a royalty, which is an actual cost to production. The argument was that Kalgoorlie and the goldfields towns benefited from the goldmining industry. We thought that if we did not have a royalty people in the metropolitan area would push for one and the money would disappear into the consolidated fund and the goldfields towns would languish. The amount of $1m was raised from Kalgoorlie Central Gold Mines for which the people from Boulder and Kambalda are very grateful. The money went towards the arts centre. I hope that a contribution will also be made towards an aquatic centre in Kalgoorlie. Although people in Kalgoorlie individually may be doing well I believe in building up community assets which make a town attractive to live in.

Hon P.H. Lockyer: I do not disagree with you.

Hon MARK NEVILL: We must have good educational, recreational and medical facilities to hold people. Personal gain is not enough.

Hon N.F. Moore: Why argue that the gold industry should do that in Kalgoorlie but the fishing industry should not do that in Geraldton?

Hon MARK NEVILL: I am referring to contributions in lieu of a royalty in Kalgoorlie. That is one way industry could diffuse any moves on this issue. The 1991 federal gold tax did not curtail production, as Hon Norman Moore said. In fact, far lower grades than were mined then are being mined now. Federal tax is imposed on company profits. It is not paid where a loss is made. Federal tax would have affected some companies' decisions to proceed with marginal mines, depending on the rate of return on their investment.

Hon Ross Lightfoot made a good point about forward sales being the cream of the industry. That is a profit on paper. The production costs of the Kalgoorlie Central Gold Mines' super pit in the quarter before last - the last figure published - were $420 an ounce. After taking into account the dollar conversion rate, KCGM is earning $455 an ounce. That provides a margin of $35 an ounce to the biggest goldmine in Australia. That is how close to the wind some of those companies are sailing. The gold is of such low grade that the companies have only to experience milling or grade control problems for any profit they make to be wiped out. It is not all roses.

When we talk about $3b worth of production we are not talking about $3b profit. It is a lot of money but it is not profit. The costs of production must be deducted from that $3b which all earns foreign revenue. The Leader of the House seems to be somewhat confused about what is a royalty and what is a tax. That has probably more to do with his arguments than his understanding of the issues.

Hon N.F. Moore: There is no confusion in my mind. It comes out of their pocket at the end of the day.

Hon MARK NEVILL: I call on the Premier and the Leader of this House to make a firm commitment to the people of Western Australia that a gold royalty will not be imposed during the next term of government if they are elected.

[The motion lapsed, pursuant to Standing Order No 72.]

HOME BUILDING CONTRACTS AMENDMENT BILL

Third Reading

Bill read a third time, on motion by Hon Max Evans (Minister for Finance), and returned to the Assembly with amendments.

MOTION - INDUSTRIAL LEGISLATION AMENDMENT BILL (No 2)

Debate resumed from 17 October.

HON JOHN HALDEN (South Metropolitan) [4.30 pm]: Last Thursday evening I advised the House that there are inherent dangers in splitting this Bill. One of those dangers was that we would be passing by stealth a piece of legislation that is now in its fourth version. I advised the House that in my view that was not an appropriate action for the Government to take, and if the Government wanted to pursue the original industrial legislation or leave it on the Notice Paper, it should do that in total. On Thursday evening there was some debate about this matter not only during the debate on this motion but also in the adjournment debate. During that debate the Opposition said that this

tactic should not be used; the matter should be resolved through its normal courses. I said that the House did not need to go down this path because procedures are already in place to resolve this matter. Since Thursday, the problems facing the aged care industry as addressed by the Minister responsible, Hon Max Evans, have been resolved. There is agreement on both sides. Again I ask: Why do this? The Minister said in a nefarious way that this motion allowed the Government to deal with other matters, one of which was the backdating of the commencement date of this Bill. Again, I understand there is an agreement on that issue between the parties involved. Why the necessity for what occurred last Thursday and for what is occurring again today?

The Minister said that one of the reasons for our doing this is that other industries will be affected. On Thursday, the Minister did not refer to those industries and I am still not aware of them. I think it is incumbent on the Minister to detail to the House the areas of industry that will be affected once this problem has been resolved. What are those issues? Without that, why would the House agree to the separation outlined in the motion? I am at a loss to understand that, unless the Government will use this legislation to institute workplace agreements in organisations such as the Fire and Rescue Service of WA, ambulance services or other industries of a similar nature. It is incumbent upon the Minister to explain why we are doing this, particularly as this matter appears to have been resolved by the parties involved.

A blunt instrument has been used here. This issue has been resolved by the parties involved. We could be going into a Committee debate without being able to establish the policy for what we are doing. It seems that the policy has now become redundant. The Minister said on page 6741 of *Hansard* that the issue is about dealing with the problems associated with the aged care hostel industry and the involvement of the churches in that industry. If that were a second reading speech, all of us would be challenging the policy of the Bill because the policy of the Bill is not at issue any longer, unless some other agenda has not been enunciated. It seems that we are depriving ourselves of having that policy debate, unless the Minister explains, first, why this legislation should be split and, second, why we are pursuing this legislation. At the end of the day, under the agreement the only people who will be disadvantaged by this are those on workplace agreements. I find that enormously difficult to understand bearing in mind the Government's previous protestations about the benefits of workplace agreements. I understand this Bill, to be called the Minimum Conditions of Employment Amendment Bill, totally overrides that focus.

I do not wish to go into that in great detail. I understand the President's ruling or the Deputy President's ruling last week. I have wanted only to highlight what are significant concerns about the House's dealing with legislation in this fashion. It is legislation by stealth and is not essential legislation. If we are to have this debate, I hope that the Minister is prepared to make a far more detailed statement than he did on the first occasion so that the House is appropriately informed about the necessity of this legislation. I will listen to the Minister's explanation with interest, because in many ways, this issue has been more of a furphy than a reality.

The DEPUTY PRESIDENT (Hon Barry House): Order! Hon Max Evans has spoken already. Members should not forget that we are discussing a motion to issue an instruction to the Committee to deal with a piece of legislation in a certain way. That is the question before the House at the moment.

HON J.A. SCOTT (South Metropolitan) [4.35 pm]: Will the Minister clarify who will be affected by this legislation?

The DEPUTY PRESIDENT: Order! It is a procedural motion. The mover of the motion does not have the right of reply.

Question put and passed.

INDUSTRIAL LEGISLATION AMENDMENT BILL (No 2)

Committee

The Chairman of Committees (Hon Barry House) in the Chair; Hon Max Evans (Minister for Finance) in charge of the Bill.

Hon MAX EVANS: I move -

> That this Bill be divided into 2 Bills, the first comprising clauses 1-14 and 16, and the second comprising clause 15.

Hon A.J.G. MacTIERNAN: On Thursday, we discussed at some length and quite properly the merits of splitting the legislation in this way. It is not my intention to canvass all those issues again. However, I think that the steps that we are taking are unusual. Perhaps the Government should look at whether the legislation in its original form was a sensible package of legislation.

The genesis of the whole problem with which we are faced is that the Minister for Labour Relations sought, quite inappropriately, to insert into his so-called second wave industrial relations reform some alterations to the Minimum Conditions of Employment Act. It meant that the changes which needed to be dealt with in that Act were bundled up with the very controversial and discredited second wave legislation. Fundamentally, the second wave legislation dealt with matters relating to the role of unions and it proposed a series of measures to reduce the authority and influence of the union movement to operate and represent workers.

A term which is frequently used in the community is "Trojan Horse" and chucked into the second wave legislation was a reference to the Minimum Conditions of Employment Act. Mr Kierath knew that the church groups would be absolutely opposed to and horrified by the changes he was proposing in the second wave legislation and that they would run a million miles from them. However, the Minister for Labour Relations thought that if he could sneak into this piece of legislation, although it is totally unrelated to it, a provision relating to the Minimum Conditions of Employment Act, he could use it to garner support from the churches for his second wave package. He thought he could tell them that, unless they supported his second wave legislation, they would have the financial problems they are already experiencing because of the claims under the Minimum Conditions of Employment Act.

It must be clearly understood by the community and those persons who are affected that, if there is a guilty party in this exercise, it is the Minister for Labour Relations and the Court Government who have improperly tied these issues together so there has not been an opportunity to debate them sensibly and rationally. Members on this side of the House find it offensive that, having debated the issue for one and a quarter hours, they are told they are somehow or other holding up the debate on this issue. The whole matter first came to the attention of the Government over 12 months ago. Instead of dealing with it in its own right, the Government quite disgracefully sought to try to neutralise the moral influence of the churches to oppose the second wave industrial relations legislation by including a provision which, in the churches' view, is one they needed to enable them to continue their very important work in conducting aged persons' hostels.

I make it clear that the procedure that is now being adopted is one that should not have been adopted because these two bits of legislation should never have wound up together. For the second time we are applying the Stanley knife to this ill-conceived Bill. A great deal of hurt and anxiety has been caused to people within the churches and community groups because we have not been able to separate the issues. It is only at this very late stage that we have separated the issues. The Opposition will outline the problems it has with the proposal, but the underlying problem was that this was thrown into the pot of the second wave industrial relations legislation. The Minister's action was absolutely indefensible and can be explained only as an attempt by the Government to neutralise the important voice of the churches on the second wave legislation.

Hon MAX EVANS: I thank Hon Alannah MacTiernan for her very strong support for splitting the Bill.

Question put and passed.

Hon MAX EVANS: I move -

That in relation to the first Bill (*original cls 1-14, 16*) clause 1 be amended -

by deleting *"Industrial Legislation Amendment Act (No. 2) 1995"* and substituting *"Industrial Legislation Amendment Act 1996".*

Amendment put and passed.

Hon MAX EVANS: I move -

That in relation to the second Bill, the words of enactment and the following clauses be inserted -

Short title

1. This Act may be cited as the *Minimum Conditions of Employment Amendment Act 1996.*

Minimum Conditions Act

2. In this Act the *Minimum Conditions of Employment Act 1993** is referred to as the *Minimum Conditions Act*.

[**Act No 14 of 1993*]

Commencement

3. This Act is deemed to have come into operation on 1 December 1993.

Hon A.J.G. MacTIERNAN: Mr Chairman, is the Committee dealing with Bill No 14-1 or 14-2?

The CHAIRMAN: The Committee is dealing with Bill No 14-1.

Hon A.J.G. MacTIERNAN: It is proposed that clauses 1 to 14 be included in Bill No 1.

The CHAIRMAN: That is right, as well as 16.

Hon A.J.G. MacTIERNAN: The amendments to the Minimum Conditions of Employment Act appear to be in clause 14.

The CHAIRMAN: The Committee has split the Bill in two. It is now amending the Bill to insert extra clauses around clause 15. That is the question before the Chamber. Clause 15 will become clause 4 in the second Bill.

Hon A.J.G. MacTIERNAN: What happens to clause 14 of the original Bill?

The CHAIRMAN: Clause 14 is in the No 1 Bill.

Hon A.J.G. MacTIERNAN: With respect, unless there is a version of the Bill different from the one I am looking at, clause 14 is a prequel to clause 15. Clause 14 describes the Minimum Conditions of Employment Act and it needs to go with clause 15.

Hon Max Evans: I have just repeated it.

The CHAIRMAN: Clause 14 will be left in the original Bill and the words proposed to be inserted include an additional clause, clause No 2, which relates to the Minimum Conditions of Employment Act.

Hon A.J.G. MacTIERNAN: What role will clause 14 now play in the new Bill?

The CHAIRMAN: Exactly the same words are inserted in the new Bill.

Hon A.J.G. MacTIERNAN: It seems a bit bizarre that clause 14, which refers to the remainder of the part, will be left in the original Bill. What function will that perform in the original Bill?

Several members interjected.

Hon A.J.G. MacTIERNAN: Mr Chairman, we have worked it out.

Amendment put and passed.

Report

Bills reported, and the report adopted.

MINIMUM CONDITIONS OF EMPLOYMENT AMENDMENT BILL

Committee

The Chairman of Committees (Hon Barry House) in the Chair; Hon Max Evans (Minister for Finance) in charge of the Bill.

Clauses 1 to 3 put and passed.

Clause 4: Section 3 amended -

Hon A.J.G. MacTIERNAN: The Opposition has a number of comments to make regarding this clause and its genesis. I again preface my remarks by saying that the proceedings of the past 10 minutes illustrate the bizarre process involved, with which we are obviously not well acquainted. Indeed, the notion of introducing a piece of legislation as a whole that must then be debated at the second reading stage to establish policy and then a year later carving it up with a Stanley knife and dealing with the bits separately in Committee is grossly improper.

The CHAIRMAN: The member is revisiting the debate we have had.

Hon A.J.G. MacTIERNAN: Part of the difficulty we now face is that we had a piece of legislation before us that fundamentally dealt with attempts to reduce union influence and the capacity of unions to represent their workers. That was the focus of the second reading debate. Yet that debate, which occurred well over a year ago, is supposedly the debate now governing the determination and deliberation of this section. That again highlights the bizarre nature of the whole process and how inappropriate it is to bind together those very disparate pieces of legislation, particularly where there is such controversy.

We understand the reason it is necessary to amend the Minimum Conditions of Employment Act. From the outset, the Opposition has been very sympathetic to the position faced by the church groups and other aged persons' facilities managers. They had been paying the award rate to those workers they had engaged on a non-core basis to sleep over on their premises. One can have one's views about the appropriateness of that award rate, and the vast majority of those groups has acknowledged that the payment of $1.42 an hour was inappropriate. Nevertheless that was the award rate and these hostels were operating within their entitlement and doing what was just and ethical in paying that rate.

[Continued below.]

[Questions without notice taken.]

MINISTERIAL STATEMENT - MINISTER FOR TRANSPORT

Fisheries Department, Fisheries Reports and Issues

HON E.J. CHARLTON (Agricultural - Minister for Transport) [5.35 pm] - by leave: On Tuesday, 15 October, Hon John Halden stated in the House that some four weeks earlier the Opposition debated via a motion a matter concerning the Fisheries Department. That motion referred to the appointment of a select committee to inquire into the Fisheries Department's management of the northern demersal trap and line fisheries. During the debate a number of other matters were raised. I have had discussions with the Minister on those matters and he has advised me of some recent events.

As I advised on 25 September 1996, the final report of the northern demersal scalefish working group was delivered to the Minister's office. The Minister requested clarification of a number of matters prior to formally assessing the report and making his decisions. I am advised that matters upon which clarification was sought have necessitated consultation with and signed agreement by the working group members. All but one member have replied to the letters of clarification. The Fisheries Department is continuing to attempt to contact the remaining working group member to facilitate presentation of the report for the Minister's consideration and decision. Once the Minister has considered the report, a draft management plan will be prepared. The draft plan will be released for a further two month statutory consultation period in which industry and the community can comment prior to final determination of the plan.

On 18 September the Minister met with industry representatives of the Windy Harbour-Augusta rock lobster fishery and has, with their agreement, requested the Fisheries Department to investigate restructuring the fishery through a fisheries adjustment scheme. The Fisheries Department is finalising a proposal for the establishment of a fisheries adjustment scheme committee. Once appointed, the committee will set a timetable for the adjustment scheme to proceed should it be determined to be justified. This is proceeding with the full agreement of the fishermen in that fishery.

As members are aware, the Minister granted Aussie Lobsters an exemption, for an experimental period, of live holding of rock lobster after the close of the season on 30 June to 30 September. The results of the experiment have been assessed and reported on. The Executive Director of Fisheries has also before him an application from Aussie Lobster for a variation of its fish processing licence to annex its premises at Greenhead to its processing place at Hamilton Hill. A decision has been determined and Aussie Lobsters has been advised of the outcome. A decision on an application is a matter for the executive director. Applicants have a right of objection to the objections tribunal which will be convened as soon as possible if an objection is lodged. As previously advised, it is open for Aussie Lobsters to make application to the executive director to transfer the processing licence from Hamilton Hill to Greenhead.

MINIMUM CONDITIONS OF EMPLOYMENT AMENDMENT BILL

Committee

Resumed from an earlier stage of the sitting. The Chairman of Committees (Hon Barry House) in the Chair; Hon Max Evans (Minister for Finance) in charge of the Bill.

Clause 4: Section 3 amended -

Consideration resumed.

Hon A.J.G. MacTIERNAN: When we were first approached some months ago by the various representatives of the church and facility managers, we were very sympathetic to the situation in which they found themselves. As we have said, they found that they had been paying the award rate of pay to their employees who were required to sleep on the premises. The rate of pay was $1.46 per hour. In saying that, we were not in any way condemning the action of

the Miscellaneous Workers Union, which obviously thought that amount was very small and that if its members had an entitlement under the Minimum Conditions of Employment Act which prescribed minimum rates for work, it was obviously quite justified in pursuing that claim. However, we were very mindful of what the consequences for the hostels might be because they had not budgeted for those sums of money to be spent. It would be incredibly difficult for them to make adequate provision to pay back-pay for those sums of money. As I say, I do not think the culprit here is the MWU but the very ill-conceived legislation that was passed in the first instance.

In the second reading debate the question of what was to be done with on call workers was raised by several members of the Opposition but was ignored in the response of Hon Graham Kierath, a decision which has come back to haunt the Government. I am sure that no-one would deny the right of the MWU to try to advantage its members by using this provision to negotiate a better deal. Notwithstanding that, we understood that it was not possible for the facility managers to pay it. To that end we exhorted the unions to negotiate with the church groups. Many of the church groups to which I was talking at that time would be well aware that we were very much pushing that case to the union movement. Unfortunately that seems to have dropped from consciousness. When this matter was last raised some months ago it was deferred until some time after October as a result of discussions between the unions, the facilities management, the Minister for Labour Relations and the Opposition. That was agreed in return for the MWU undertaking not to proceed with the test case under the Minimum Conditions of Employment Act and the definition of what hours worked might mean.

The hope of every party was that negotiations would take place and a settlement would be reached. When this matter erupted suddenly without notice on Wednesday of last week we understood the parties were close to agreement. We spoke to the union and explained that this legislation was likely to come on for debate. We explained to the union something that appears not to have been comprehended by a number of people; that is, the Labor Party lost the last election and it does not have and never has had, even in the times when it won government, the numbers in this Chamber of the Parliament. We put it forcefully to the union that we understood the position of the churches and their need to resolve the issues. However, we also put it to the union that, as we did not have the numbers in this Chamber, we would not be able to delay this legislation for any length of time, and it was clear that it would be passed within a day or two. The union then understood that it was imperative this matter be negotiated.

I do not know where the idea has arisen that somehow or other the Opposition will be able to stop this legislation. For those people who are confused about this point, I say that we were only able to debate in this place the evil Act at the heart of this problem - the Workplace Agreements Act - for two days. The Opposition simply does not have the power to stop the Government's passing legislation, even when it wants to.

Many of the wild accusations that were made about what we might do have me mystified. Nonetheless, the Opposition presented the union with the need to resolve this problem. We also understood, and there is no lack of appreciation on the Opposition's part, that it was not just sufficient for the needs of facilities management to have the matter resolved with the union. The union's concerns are valid. The union is concerned that, notwithstanding any arrangement with the Miscellaneous Workers Union, and any award that might be struck - we are on the brink of an award that will be fair and equitable - individuals could lodge a separate claim and therefore the churches and the facilities managers will be exposed. On that basis the Opposition was prepared to support the concept of retrospective legislation, albeit that it has grave reservations generally about retrospective legislation, as did the conservatives when they were on this side of the Chamber. Their moral scruples vanished the moment they crossed to the Treasury benches. We understand that at times that principle needs to be overridden because of particular needs and concerns. We recognised that this was a valid incident where the Labor Party could support retrospective legislation. The Labor Party supported the principle, provided there was reasonable negotiation between both parties. That negotiation was somewhat protracted, and I will not lay blame on either side, as it is part of the argy-bargy that goes on. However, the substantive matter having been addressed through negotiation and agreement, the Opposition was prepared to support a change to the minimum conditions to provide that protection which the church and facilities managers needed. We were also prepared to agree to that provision being retrospective. That demonstrated the Opposition's goodwill in supporting those groups which provide a vital service in our community.

The Opposition has no lack of appreciation of the importance of the facilities those groups provide, of their role in providing aged care facilities in the community, and of the real financial trauma that would be inflicted upon those agencies had they not been able to secure some legislative response. Having said that, the Labor Party attempted to point out to the various parties involved that it was concerned about the specifics of the amendment that the Government had proposed. As we attempted to explain, those specifics go well beyond just altering the situation of those workers who are employed by the aged care hostels. Those workers employed by the aged care hostels will be protected to some extent by their award and the goodwill of their employers. However, we tried to point out that the amendment proposed by the Minister for Labour Relations went well beyond that and went to a total deregulation of on call work. We are talking about on call work not only for people who must go about their business either at home or elsewhere with beepers attached to their belts and suffer the inconvenience of occasionally coming in when

those beepers go off, but also, and far more importantly, for people who are required to attend the premises of their employer. The churches have more or less come to an agreement with the Miscellaneous Workers Union that workers in their centres who are required to attend for nonactive duty will be paid the sum of $5 an hour. Although we can debate whether the best rate would be $4 or $5, generally, it is recognised by the church groups and the other facilities managers that it is fair and equitable that people be paid some money for leaving their homes, for sacrificing their time and attending at their employers' facilities. As Milton wrote, "They also serve who only stand and wait".

It is not a difficult principle to comprehend; it is right and proper that those people who are required to attend, to sleep over, or to remain on call on their employers' premises should be entitled to some remuneration. However, this amendment says that employees have no entitlement as of right to any remuneration for work of that nature, although they might have that entitlement if they can get their employers to agree. That is unfair. I am sure that most of the churches and the community groups would not want to be in a situation where they paid their employees nothing for performing services of that nature. However, under this legislation employers could do that and we could well see these situations becoming endemic, particularly in the hospitality industry.

We know that to some degree and in some variance this is already happening in certain parts of the hospitality industry. I will provide members with a tangible example of the sort of thing that could emerge from this legislation. For example, an employee in an hotel could have an ordinary hours roster from 6.00 pm until 10.00 pm, because that is when the employer knows he definitely will be busy and will require a full complement of staff. That employee's next four hours are then rostered as on call, and he is required to be on the premises and to sit in the lunchroom. However, it is only when the night is busy and the employee is taken off this on call situation and put on active duty that he has any entitlement to payment. That is a very unattractive set of working conditions, and people who do not agree with that view are in pixie land.

The workplace agreements imposed on young people in the hospitality industry indicate that people are constantly accepting conditions which could only be described as harsh and unconscionable. For example, agreements require people to be on call seven days a week, 24 hours a day, although not on an employer's premises obviously. It happened to my son: He worked an 11-hour shift and arrived home at one o'clock in the morning, and at five o'clock that morning a telephone call indicated that he was required back at work. I answered the telephone and made it clear that the call was not acceptable. However, many young people do not have parents who are able to intervene in that way. We are not talking about hypothetical, preposterous or in any way exaggerated concerns. These problems could become routine under this system.

The Chamber of Commerce and Industry is advising the various church groups to put a great deal of reliance upon the provision's phrase, "which does not include a reference to a period outside the hours the employee was ordinarily required to work". I understand that all sorts of magic has been attributed to the inclusion of that phrase. I acknowledge that some mischief will be averted by that formulation, particularly with a number of agreements by which a young person is required to turn up for a shift, say, from 10.00 until 8.00 pm, and at any time during that shift the employer may require him to sit out in a crib or lunch room for up to two hours without pay. The way the clause is formulated will prevent that. However, it will not prevent shift structuring in the way I have described. It could not do so. If it did, it would prevent the on call arrangements which the hostels need to function.

However, it will still be possible to split shifts so the first part of the roster will be the ordinary hours and the second part will be on call, for which one will have no entitlement for payment under the legislation. People not protected by awards, including anyone who has signed a workplace agreement, may not be aware of how far that provision will extend. It might occur even in the hostel industry. I am not sure whether these institutions compete.

One of the more iniquitous proposals within the industrial relations Bill before the federal Parliament at the moment is a provision to allow state workplace agreements to override federal awards. Therefore, the mere fact that an enshrined agreement - I hope the agreement is about to be finalised between the hostels management and the union - is subject to a federal award will not mean it will provide protection because operators will be able to avoid that problem by entering a state workplace agreement. In that way, the employer need not pay a person on call $1.46 an hour or a single cent. That is of grave concern to the Opposition.

The Opposition is prepared to support the retrospective amendment provided that, in the same process, we do not set up a situation where even more exploitation can occur than currently arises under the iniquitous Workplace Agreements Act. We intend to frame a caveat on the proposed amendment so that its effect is confined and will not override award conditions. In future we might need to videotape meetings, as I and two other members of the Opposition involved in the meeting on this matter thought that general agreement was reached that the provision protected the churches and that they could live with the amendment the Opposition proposes. It was agreed that the churches could seek out the Minister for Labour Relations to have that amendment incorporated, and we promised in return that, in the course of a half hour, we would support the amendment without the need for debate.

Unfortunately, Minister Kierath and the Chamber of Commerce and Industry do not support our amendment because it counters their general philosophy of deregulation, one we do not share. Therefore, they do not support the amendment. I again contacted one or two members of the church and said, "I'm sorry; we support the thrust of what is being done here, but we do not support the detail. Therefore, we cannot support the legislation." However, it was clear that the legislation would go through, but it needs debate because its consequences must be explained. It would be morally wrong to pass this legislation for the purpose of political expediency. We do not have a problem with the parts of the legislation which protect the churches, but the broader consequences are of concern. For that reason, we said that the legislation required some debate.

As I explained on Sunday to one of the gentlemen from the Churches of Christ, we anticipated that the debate would take a maximum of three or four hours on Tuesday. Obviously, with only four clauses it is not a large Bill. I indicated that the Opposition would move its amendment. Notwithstanding that, we anticipated that the debate would conclude on Tuesday. Hence my complete amazement at the advertisement which appeared in today's newspaper. I regret that it has reached that stage. Certainly, the Opposition is very supportive of aged care and the work which church and community groups perform. It bent over backwards at all times to seek a resolution to this problem, and it encouraged the union movement to reach an accommodation. The Opposition was prepared to agree to retrospective legislation to amend the measure, provided it did not catch a number of innocent people in the process. I hope that point is understood. Mr Chairman, can I now move the amendment?

The CHAIRMAN: The member cannot do that yet. The question before the Chair is still that clause 4 stand as printed. If the member then wishes to move new clauses, she may do so immediately afterwards.

Hon A.J.G. MacTIERNAN: We need to establish how we can handle this matter.

The CHAIRMAN: There is a perfectly clear procedure for handling this matter. We will deal with the clauses of the Bill first, and a new clause may be moved after that. It is in standing orders.

Sitting suspended from 6.00 to 7.30 pm

Hon A.J.G. MacTIERNAN: I want to foreshadow some amendments, which will need to be dealt with after this clause because of the internal logic of the Bill. We have set out clearly that we are prepared to support clause 4 provided there is adequate protection for people who find themselves on workplace agreements and not subject to the protection of any award or other agreement.

I had originally proposed an amendment, which the Government rejected. That amendment was that the Government's amendment to take on call work out of the definition of "work" for the purposes of minimum conditions of employment would apply only where there would have been an award provision had not the employee been a signatory to a workplace agreement, and provided that the employer was paying at least the award rate. A number of hostel managers and church people telephoned me today about their concerns and said that they had been told by the Chamber of Commerce and Industry of Western Australia that the amendment that I had put forward was disingenuous because it did not protect the people whom I claimed to be seeking to protect; for example, there is no provision within the hospitality awards for an on call rate. That is true, but, as I have explained to members of the CCI, if the practice that we are concerned about did become common, it would enable the various unions to seek a modification to the award and, therefore, provide the protections that are necessary. I want it to be understood that we are completely bona fide in the proposal that we put forward, but because of the concern of the CCI and the Minister that we were reintroducing a nexus between awards and work place agreements which contravened their deregulation philosophy, we now have a different amendment.

Hon Max Evans: This is not the amendment that you showed us before the dinner suspension?

Hon A.J.G. MacTIERNAN: It is slightly amended, because a part had been left out. The amendment provides that where there is on call work of a nature that requires an employee to be on the premises of the employer, and not simply on call work that requires a person to carry a pager or be in some other way available to be called, the Minister is obliged to gazette a minimum rate. We are not seeking to make any judgment at this point about what the minimum rate should be for that type of work. Many people within the industry believe that $1.56 is not a fair rate given the intrusion upon a person's life of that sort of work; hence they have agreed to the sum of $5.00. It would be inappropriate at this point to pluck a figure out of the air and say this is the appropriate rate. All we are seeking to do is provide within the legislative framework a new minimum condition that will apply where an employee is required to leave his home, friends, family and social activities to attend his place of employment and be on call if his services are required. These sorts of on call rosters could become entrenched in the hospitality industry, or in youth hostels.

The appropriate forum to determine the on call rate would be the Industrial Relations Commission. The amendment proposes also that in addition to a minimum weekly wage and an hourly wage being determined for ordinary work,

another rate be determined for on call work where that on call work requires a person to attend the premises of the employer. I think all of us would agree that that substantial intrusion upon a person's private life should be recompensed.

Hon P.R. Lightfoot: I do not agree. Do not include me in your sweeping statement that you think we would all agree.

Hon A.J.G. MacTIERNAN: My observation should have been that all normal, right thinking, morally integrated, sensitive -

The CHAIRMAN: Order! The interjection was out of order. Let us concentrate on the Bill.

Hon A.J.G. MacTIERNAN: As Hon Tom Butler used to say, "Ross, your spaceship awaits you!" It was gravely presumptuous of me to say that we all agree. Hon Ross Lightfoot was likely to have his eccentric views about such matters.

Clause 4 is designed to amend the definition of hours worked, because it seeks to delete on call work from the protection of the current minimum conditions of employment. Our foreshadowed amendment would follow that clause; it would say that on call work of this type should not be and need not necessarily be equated with ordinary hours of active duty; nevertheless it requires some recompense, so let us send it to the Industrial Relations Commission for determination, in the same way that we send the minimum hourly and weekly rates for ordinary active work for determination.

Hon Max Evans: I will speak to the foreshadowed amendment when it is moved.

Hon SAM PIANTADOSI: I caught only part of Hon Alannah MacTiernan's comments. Although I support the concept of the foreshadowed amendment, it appears to cover not only the hospitality industry but also aged homes, and that causes me some concern. I support the intent of the foreshadowed amendment as it relates to the hospitality industry, because that industry can raise money to cover the anticipated costs. However, when that industry is packaged together with aged hostels, I have some difficulty with it. Hostels run by churches or similar organisations find it difficult to raise funds. As an example, I refer to the Stirling Aged Homes Association with which I have been involved. We set up a $3.2m project. I believe that $300 000 is still to be paid on the complex. Therefore, it will be necessary to raise funds in the community, because the organisation is not flush with funds. Those organisations will have difficulty, whereas the hospitality industry can pass on the costs. I am aware of the difficulties involved in trying to raise funds. It is not easy, considering the clientele of aged hostels, because they are limited by what they can get from anyone. I do not want to use the word "squeeze". The hospitality industry and others have more scope to raise funds. Perhaps the member can clarify the situation. I do not have any problem with the general intent of the legislation.

Hon A.J.G. MacTIERNAN: Since the early 1980s aged hostels have been paying their employees for on call work. Without doubt those hostels recognise that it is right and proper that persons undertaking on call work of that nature should be paid. They arrived at a rate. I hope that good sense will prevail, that the agreement with the union will stand, and that perhaps there will be a new rate. Our foreshadowed amendment will not affect those hostels, because they are already paying people for on call work.

Hon Reg Davies: Are you happy with the rate they pay?

Hon A.J.G. MacTIERNAN: Yes. The rate of $5 appears to have been agreed; I do not have any difficulty with it. I understand that the gentlemen were absent on urgent parliamentary business earlier, and perhaps they missed the point. We do not have any difficulty with amending the legislation to provide protection for hostels, because hostels have committed themselves to an agreement which is fair and equitable. Our concern is that in providing protection for them, this legislation will go beyond what is required to protect their position, and we will compromise everyone else, because we will be deregulating on call work. For instance, another operator may come into the field and may not share the ethics of the current group; the new operator may decide to put the employees on workplace agreements and not pay them. It is probably less likely to happen with that style of organisation, but it could happen. It is more likely the problem will arise within the public sector.

With this legislation, the sorts of protections that church and community groups have afforded to their workers are being stripped away from other employees. If our amendment is not passed, this legislation will require people to work on call. The important point which is often lost in media debate is that when we talk about on call work it is not persons being required to respond to a pager but persons required to sacrifice their personal time and sit in the employer's premises. It is total deregulation. We do not seek to up the ante on what the churches are paying. That is negotiated in the normal process of awards. We oppose the total deregulation of that sort of work. We are keen to assist the churches to protect them against the possibility of back claims for which they are not prepared, not because we think persons who might make the claims would be unethical or improper but we understand that the

hostel managers have a practical problem; they have limited funds and have not budgeted for such a claim, hence it could be massively disruptive to their operations. We understand and accept that. We are not in any way trying to interfere with the rights of, or negatively impact on, those facilities. We are seeking to provide a decent safety net for those people who do not have the advantage of working for employers who are that ethical.

Hon REG DAVIES: I am trying to come to grips with this proposed amendment to be moved by the Opposition.

The CHAIRMAN: We are debating clause 4, but I have given some licence to the member to foreshadow her amendment.

Hon REG DAVIES: It is important because we will vote on clause 4 shortly. If we pass that we will not have the option of the amendment.

Hon A.J.G. MacTiernan: If the amendment fails clause 4 will stand.

Hon REG DAVIES: The Bill takes into consideration hostels run by church groups and so on. From what I understand everybody is happy with the $4 or $5 an hour for people who are called in. What about the situation which was referred to the other evening concerning Fast Eddys Cafe? I telephoned Fast Eddys today and I understand that its employees work under workplace agreements. Employees can be called into work in preparation for rush times when they may not always be put to work immediately and may have to sit around for an hour.

Hon Kim Chance: Mid-shift can occur.

Hon REG DAVIES: Yes. My office was assured that Fast Eddys' planning is fairly tight and that staff are rarely required to spend any more than an hour sitting around. However, Fast Eddys does not have to pay for that period because the staff are not working even though they are on the premises. Is that correct?

My office also contacted Hungry Jack's Pty Ltd, which is in a similar situation. That company referred to its employees as children and said that they were called in 15 minutes early to put on hair nets and uniforms because the health regulations prevented them from wearing their uniform to work. Often they took a longer time to complete this dressing. They did not receive any payment for that early call. Is it proposed that they should also be paid for that period of preparation and that Fast Eddys' employees should be paid for waiting around even though that may be for an hour or less?

Hon A.J.G. MacTiernan: What is your view?

Hon REG DAVIES: I am asking the member; I do not have an amendment.

Hon SAM PIANTADOSI: Hon Alannah MacTiernan maintains that part of the problem has been that some hostels did not budget for increases. I can assure her that many of them put forward their budget based on whatever income they could find to continue to operate. It is not a matter of budgeting for profit or anything else.

Hon A.J.G. MacTiernan: I realise that.

Hon SAM PIANTADOSI: Hon Alannah MacTiernan also said that the union and the hostels had reached an agreement on the rate.

Hon A.J.G. MacTiernan: I said "almost".

Hon SAM PIANTADOSI: We must appreciate that much of the work is done on a roster basis and many people who sleep there are on call. The on call situation proposed in this Bill is different from what is in operation. My opinion is based on my experience at Stirling Ethnic Aged Homes Association for about a year after it started operating. There is a difference between a person being on call at the hostel and being on standby at home or somewhere else. That must be clarified further.

The CHAIRMAN: Order! I remind the Committee that the amendment is not before the Chamber. As I said, I have allowed a little licence because the amendment relates to clause 4.

Hon A.J.G. MacTIERNAN: Thank you for your indulgence, Mr Chairman. I realise we are not progressing in the way we normally do. As a result of the difficulty in making up our minds about clause 4, until we understand subsequent clauses you are rightly making standing orders our servants rather than vice versa.

Employees at Hungry Jack's, who are required to be on duty 15 minutes early, should be entitled to payment, without this legislation. It is quite possible that that is not considered to be on call work. If one is required to attend at a specific time one may be covered by the minimum rate for ordinary hours. Obviously, it is open to someone to make that interpretation. Fast Eddys' practice of calling in people early and making them wait around is a disgraceful rort perpetrated on young people. Some attempt has been made in formulating the government amendment to deal with

that point. The amendment was changed by the Government some time ago because of the concerns we raised about Hungry Jack's. The amendment says "does not include reference to the period outside the hours the employee was ordinarily required to work". An argument could be made that the waiting around time was within the hours they were ordinarily required to work. I appreciate that that was an attempt to deal with that issue. However, it is not an adequate attempt because, as I outlined before, some of those outfits will have two rosters, one for ordinary hours and one tacked onto that at either end as an on call roster. That mischief will not be precluded by the formulation of the government amendment.

Hon Reg Davies: Is there any on call allowance in the fast food world?

Hon A.J.G. MacTIERNAN: No.

Hon Max Evans: Fast food outlets are covered by workplace agreements.

Hon A.J.G. MacTIERNAN: Even in the award there is not. When these practices become rife provision for those unpaid hours may be sought, depending on who is running the union. The union was also concerned about distinguishing between the different sorts of on call work. I thought I made the position pretty clear. Although a person has an entitlement to some sort of remuneration for both sorts of on call work, in the amendment we are distinguishing between where a person is responsive to a pager or some other device and where a person is required to be on the premises. Our primary concern is to deal with the latter situation. We do not think that where a person is on call but not on the premises is important enough to necessarily come within the minimum conditions.

Hon Reg Davies: This amendment could well see the hostel people get a much higher rate. Your amendment asks the managers to look at the rates.

Hon A.J.G. MacTIERNAN: I am suggesting that the Government gazette the minimum rate. The Government's view is that one's entitlement for remuneration for full time active work is $7.93. Although that is theoretically possible, one would have to argue with the Industrial Relations Commission and the Minister that the $5 which the hostels are proposing is not a fair and just remuneration.

Hon Reg Davies: Do they know how much it will cost?

Hon A.J.G. MacTIERNAN: That presupposes that the Government will set the rate higher than $5. I am not saying what the rate should be.

Hon Reg Davies: This amendment could see that eventuate.

The CHAIRMAN: Order! The debate has moved entirely around to the amendment. I would like to dispose of the question on the clause before the Chamber.

Clause put and passed.

New clauses -

Hon A.J.G. MacTIERNAN: I move -

To insert the following new clauses -

Section 11 amended

5. (1) In this Part "on call work" has the meaning assigned to it by section 3(3)(a).

(2) Section 11 of the Minimum Conditions Act is amended by inserting the following paragraph -

(c) in the case of an employee performing on call work, an hourly rate prescribed by order under this Part.

Section 14 amended

6. Section 14 of the Minimum Conditions Act is amended by inserting the following paragraph -

(aa) review the hourly rate for employees performing on call work; and

Section 15 amended

7. (1) Section 15 of the Minimum Conditions Act is amended -

(a) by inserting in subsection (1) after "pay" the words -

and the hourly rate prescribed for employees performing on call work

(b) by inserting in subsection (2) the following paragraph -

(c) the hourly rate prescribed for employees performing on call work.

We have probably covered the clauses pretty well, although there seems to be a little confusion. The amendment that we have just passed in clause 4 has the effect of removing from the protection of the Minimum Conditions of Employment Act all on call work. At the moment the Minimum Conditions of Employment Act regulates payment for ordinary hours of work. We have now basically determined that the ordinary hours of work will not include on call work that is not the type where a person is required to be on the premises or on call work where one is obliged to make oneself available at the place of employment. As a result of what we have just passed there is no provision in the Minimum Conditions of Employment Act for people who are required to undertake on call work.

Hon Reg Davies: Who are those people - not the nurses or firefighters?

Hon A.J.G. MacTIERNAN: I do not know whether it is nurses or firefighters.

Hon P.R. Lightfoot: Have they not got different awards?

Hon A.J.G. MacTIERNAN: They have awards. Where has the member been for the last three years? I am amazed that he could be a member of this place and not understand the crucial principle of the Government's industrial relations legislation, which is that a signatory to a workplace agreement no longer has the protection of an award. One can have those awards -

Hon P.R. Lightfoot: You don't have anything less than award.

Hon Kim Chance: You do not know what you are talking about, man! That is the federal legislation.

Hon A.J.G. MacTIERNAN: It is not even federal.

Several members interjected.

The CHAIRMAN: Order! If I am not mistaken this amendment refers to on call workers. We are straying just a little.

Hon A.J.G. MacTIERNAN: These things cannot be considered in isolation. It is fairly frightening that people's representatives in this Parliament, who are making decisions, do not understand the basic principles. I understand that Hon Ross Lightfoot may have taken at face value the words of his federal leader, Mr Howard, when he said that there would be a cast iron guarantee there would be no less than the award safety net guarantees. No guarantees have been made by Hon Graham Kierath. This is crucial because we have had raised the point of the nurses and firefighters. Hon Reg Davies has obviously been lobbied by those groups. He said that their position is protected by the federal award and this will not apply to them. I have news for Mr Davies: One of the most controversial positions of the federal industrial relations legislation - and there was no mention of this before the election - is that the state workplace agreements, which are not subject to cast iron guarantees and which are not underpinned by any award, can override federal awards, so that those people who are the subject of an award -

Hon B.K. Donaldson: We have made some progress!

Hon Kim Chance: You do not believe that because you are a decent man.

Hon P.R. Lightfoot: He is an agrarian socialist.

Several members interjected.

Hon A.J.G. MacTIERNAN: I do not believe for one minute that the majority of the churches or the community groups that run aged persons hostels in Western Australia would resort to workplace agreements. Most of them will act in an honourable manner and pay employees under the award that, I hope, has been negotiated. However, it is possible that there will be other operators in the field.

Hon Kim Chance: P&O Australia Ltd or Len Buckeridge might go into the nursing home business.

Hon P.R. Lightfoot: You will send the churches broke; that is what will happen.

Hon A.J.G. MacTIERNAN: Hon Ross Lightfoot clearly has not listened to the debate. The churches will not be affected.

Hon P.R. Lightfoot: I have listened ad nauseam to you.

Hon A.J.G. MacTIERNAN: It is said in politics that a politician must say it, then say it again and again to communicate with the general public; however, trying to communicate with Hon Ross Lightfoot to get a few basic concepts into his skull is an incredibly trying and difficult exercise.

Hon P.R. Lightfoot: We will make sure that you do not send the churches and aged persons homes broke.

Hon Graham Edwards: Look under your bed to see if there are any communists.

The CHAIRMAN: Order! I ask Hon Ross Lightfoot and Hon Graham Edwards to stop interjecting, and Hon Alannah MacTiernan to stick to the substance of her amendment.

Hon A.J.G. MacTIERNAN: My amendment cannot be understood without understanding the basic principles of the Workplace Agreements Act and the Minimum Conditions of Employment Act. I am absolutely astounded at the level of ignorance at the basic changes that have been introduced.

Hon P.R. Lightfoot: I am a very basic person.

Hon A.J.G. MacTIERNAN: The amendment proposed by the Opposition will have no deleterious affect on the churches or the facilities managers.

Hon Reg Davies: Can you guarantee that, Madam Lash?

Hon A.J.G. MacTIERNAN: There is always a danger in debating with some of the older male members after the dinner recess, because they may have had urgent parliamentary business at the bar at tea time.

Hon N.F. Moore: That is pathetic.

The CHAIRMAN: Order! We are failing to make any progress at the moment. Let us proceed with the amendments.

Hon A.J.G. MacTIERNAN: The basic principle is that the churches and the other facilities managers recognise that it is proper that people who are required to be on call, in the sense of being on their employers' premises, deserve some remuneration. They have negotiated a fair package for that. We want to ensure a basic safety net. It might not be anywhere near as generous as that which the churches have negotiated; it might be something far less generous. We are trying to include a provision that would compel the Minister to gazette a rate for work of that nature. The ordinary hourly rate for full time active duty is $7.93. I imagine that a figure considerably less than that will be paid for on call work. It is the sort of issue that will be determined through the processes of the Industrial Relations Commission's taking submissions, looking at industry standards, and then making a recommendation to the Minister who, in his customary fashion, will discount that by about 30 per cent and gazette it. The Opposition proposes to recognise what the churches and the community facilities operators have recognised; namely, that it is proper that people receive proper recompense for work of that nature.

We have passed the Government's amendment that will protect the churches. However, we do not want to create a situation where vulnerable workers - those workers who might be subject to workplace agreements - are required to do this sort of work without remuneration. I urge those people who have been keen to protect their positions to think more broadly about their responsibility to the wider community and to the sorts of people whom they want to protect. Archbishop Carnley has made reference to the increasing number of people in recent years who have been thrown upon the mercy of the churches in attempting to obtain relief. We cannot consider issues of social need in isolation.

Hon P.R. Lightfoot: You are attempting to make the churches impecunious.

Hon A.J.G. MacTIERNAN: The failure and the unravelling of our industrial relations system will be a significant factor in the generation of poverty. The Australian industrial relations system has created a relatively equal society without gross poverty. If the Government starts unwinding that industrial relations system it will see an increase in the demand for the sorts of services that the churches and the community groups are providing.

Hon Graham Edwards: Absolutely no doubt about that at all.

Hon A.J.G. MacTIERNAN: I urge the churches and the community groups to think broadly about issues of this nature, and to resist the temptation to be swayed by those who might advise them and who believe in the trickle down theory; that is, if wages are cut and the Government makes the wealthy wealthier, that will trickle down to the poor.

Hon Bob Thomas: Adam Smith used to like that theory.

Hon A.J.G. MacTIERNAN: The experience in the United Kingdom and the United States is evidence that that theory does not translate to reality. We have an obligation to think broadly on this issue. The Government's amendment

that will protect the churches and community groups is in place. They are not under threat. Now let us be a little generous and look broadly at those members of our community who need and deserve our protection.

Hon MAX EVANS: The Opposition's amendment attempts to insert on call provisions into the Minimum Conditions of Employment Act as new minimum conditions. That amendment is diametrically opposite to the Government's intention. The Government's amendment clarified the original intention of the Act that on call is not a minimum condition. That amendment put beyond doubt that those matters that are minimum conditions are not open to the question of what is a minimum condition. The answer has already been decided. The Opposition's amendment is a foot in the door device that could result in the insertion of all sorts of rorts such as allowances for location, site and dust as new minimum conditions. The Government opposes the Opposition's amendment for three reasons: First, it is unnecessary. Workplace agreements are voluntary. Under law employees cannot be forced into workplace agreements. Under a workplace agreement the parties can set on call rates by agreement. Awards set a minimum rate for those who prefer to stay under the award. Existing employees can choose to stay under awards if they so wish. The amendment is contrary to the intention of the Minimum Conditions of Employment Act, which sets the minimum acceptable conditions, not the actual conditions. The on call rate was never intended to be a minimum condition, nor is it appropriate to set a minimum standard for conditions. The proposed amendment is contrary to the intention of the Workplace Agreements Act, the intention of which is to allow parties to choose working arrangements which best suit the needs of the employer and the employee. The Labor Party wants to limit the choice for on call workers to agree to rates other than the award rate. The Government's amendment does not take on call work out of that which is currently provided by the Minimum Conditions of Employment Act, as it is not currently provided for or, at least, there is no certainty that time spent on call comes within the ambit of the Act. The intention of the Government's amendment was to clarify and confirm that the Act does not and never did intend to do that.

Hon KIM CHANCE: I want to ensure that people understand very clearly the hypocrisy and the lack of credibility contained in the statement from the Minister for Finance dealing with the question of whether workplace agreements are voluntary. Today I received a copy of a workplace agreement between a slaughterman and his employer. The final page states -

> I hereby understand that the offer of employment by Smooth Job Pty Ltd is conditional upon my acceptance of the workplace agreement.

This is not an illegal agreement: It is dated 6 June 1996 and was stamped by the Commissioner for Workplace Agreements on 4 July 1996. Let us end this rubbish. If we are going to discuss this subject, let us talk about facts. Members opposite and Independent members do not begin to understand what workplace agreements are all about. We have a government member saying that there is a no disadvantage clause in workplace agreements.

Let us get real! I am sorry I am angry, but I have been very controlled until this point. We have been very good in trying to help this legislation through. We have been given no credit by the Government for reaching a resolution and for pushing this through against a principled stand by the Opposition. However, I will not sit here and listen to garbage like that. Let us get on with the debate properly. Members opposite should show a little decorum or we will not do it at all.

Hon A.J.G. MacTIERNAN: Well done! I fully endorse the comments made by Hon Kim Chance and I understand his anger. There is nothing more disgraceful than to hear Ministers of this Government talking about the voluntary nature of workplace agreements and saying that people have some choice. Members know that people who are looking for employment and who are told that if they want a job they must sign a workplace agreement have very little choice. Unemployment is running at about 7.7 per cent, but in certain age groups - people over 45 years of age and people under 20 years of age -

Hon N.F. Moore: It was 9.8 per cent when you were in government.

Hon A.J.G. MacTIERNAN: We were in government for 10 years and it was not at that level the whole time. High unemployment has dogged western economies.

Hon N.F. Moore: We had that sort of unemployment with your industrial relations system.

Hon A.J.G. MacTIERNAN: We had levels of unemployment well below that; it moved around, as it will while this Government is in office.

The CHAIRMAN: Order! We are revisiting some of the principles and policies discussed during the second reading debate. I know that was a while ago, but we should be discussing the amendments and how they will or will not enhance the Bill.

Hon A.J.G. MacTIERNAN: It is absolutely vital for us to traverse the subject of the voluntary nature of these agreements. We also now have dole diaries. It has been agreed by the federal Minister for Social Security, Jocelyn

Newman, that if a person rejects a workplace agreement because it offers conditions substantially less than those in the award they will lose their unemployment benefit. That makes it even less of a choice. The notion that there is any choice is absolutely farcical. There might be an element of choice for some people in the mining industry or for people with a high degree of skill - people such as Mr Neil Bartholomaeus and Mr Ross Drabble -

The CHAIRMAN: I want members to concentrate on these amendments. The member is straying into general principles and policies.

Hon A.J.G. MacTIERNAN: With respect, we are trying to explain why it is important to prescribe this as a minimum condition. The Government's response is that it is not necessary to prescribe it as a minimum condition because people enter into workplace agreements only if they agree with them and are happy with them. That is the biggest load of hogwash. The fundamental hypocrisy of that is illustrated by the very existence of this legislation. Why do we need minimum conditions of employment legislation? We need it because we know that there is inequality of bargaining power and that if there were not regulation the strong would dominate the weak. The Minister should refer to the second reading speech. It is fundamental. The entire concept of the minimum conditions of employment legislation is a recognition that there is inequality of bargaining power and without regulation we would have an unfair system. The whole idea that these things are voluntary and therefore we do not need regulations is undermined by the very existence of this legislation.

We must then determine what is a proper set of minimums. Like Hon Ross Lightfoot, the Opposition finds the minimums contained in the Bill grossly inadequate. He could not believe that we did not have the award safety net underpinning the minimums.

Hon P.R. Lightfoot: You can retreat to the federal awards. That was cleared the other day by the Industrial Relations Commission.

Hon A.J.G. MacTIERNAN: I explained that to Hon Ross Lightfoot, but it has obviously gone over his head.

Hon P.R. Lightfoot: It is not in the amendments you are moving.

Hon A.J.G. MacTIERNAN: That is not true. Under the proposed changes to the federal legislation those people will also be vulnerable. We are dealing today with people who have state coverage. We are arguing that it is true that the minimum conditions of employment legislation did not contemplate these people. However, we are also saying that that does not make it right. We are trying to present arguments as to why we should include it. As the churches and community groups have recognised, it is not fair to have people turning up for work, instead of being at home with family and friends and engaging in private activities, and receiving no remuneration. That is not fair.

We are not seeking to impose a predetermined view as to what that rate should be. We are saying that we should put this into the pile. We have a limited range of minimums. We should include this and have it determined by the Industrial Relations Commission or by the Minister on reference from the commission. It is a very modest and mild proposal. It is not one which overturns the philosophy of the Minimum Conditions of Employment Act or the Workplace Agreements Act but one which simply recognises that another minimum should be recognised.

Hon REG DAVIES: First, I assure Hon Alannah MacTiernan that I had three glasses of water with my dinner.

Hon P.R. Lightfoot: What she said was clearly unparliamentary.

Hon REG DAVIES: Will the member's amendment encompass those employees who are on call in commonwealth licensed hostels and run by charitable, Christian and other organisations? Will they be forced to pay a much higher rate than they pay currently? This Bill is retrospective and will take effect from December 1993. Will the amendment have the effect of placing a burden of an extra $50 000 on the League Of Help For The Elderly Inc, an extra $800 000 on the Churches of Christ Homes and Community Services Inc as well as jeopardising a new hostel?

Hon A.J.G. MacTIERNAN: It would be in the hands of Mr Graham Kierath. This is an enabling Bill. If there were to be the sort of effect that the member is predicating, it would be the act of Mr Kierath; it would not be the act of this Parliament. This Parliament is simply prescribing that there be a minimum condition. It would be in Mr Kierath's hands to determine what that rate is.

New clauses put and a division called for.

Bells rung and the committee divided.

The CHAIRMAN (Hon Barry House): Before the tellers tell, I cast my vote with the noes.

The division resulted as follows -

Ayes (10)

Hon Kim Chance	Hon Val Ferguson	Hon Tom Stephens
Hon J.A. Cowdell	Hon N.D. Griffiths	Hon Bob Thomas
Hon Cheryl Davenport	Hon John Halden	*(Teller)*
Hon Graham Edwards	Hon A.J.G. MacTiernan	

Noes (15)

Hon George Cash	Hon Peter Foss	Hon Murray Montgomery
Hon M.J. Criddle	Hon Barry House	Hon N.F. Moore
Hon Reg Davies	Hon P.R. Lightfoot	Hon M.D. Nixon
Hon B.K. Donaldson	Hon P.H. Lockyer	Hon B.M. Scott
Hon Max Evans	Hon I.D. MacLean	Hon Muriel Patterson *(Teller)*

Pairs

Hon Tom Helm	Hon W.N. Stretch
Hon Doug Wenn	Hon Derrick Tomlinson
Hon Mark Nevill	Hon E.J. Charlton

New clauses thus negatived.

Title put and passed.

Report

Bills reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Max Evans (Minister for Finance), and transmitted to the Assembly.

EAST PERTH REDEVELOPMENT AMENDMENT BILL

Second Reading

Resumed from 26 September.

HON J.A. COWDELL (South West) [8.36 pm]: The Australian Labor Party supports this Bill. In doing so, I note the comments of the Minister in the second reading speech, many of which we concur with: The Minister notes that these amendments will allow the East Perth Redevelopment Authority to provide contract services for projects in areas that are contiguous to its redevelopment boundary; however, the authority's extensive planning and land resumption powers will not be extended for these projects. We are supportive of both those aspects and of the proposal that the skills and experience of the authority be utilised in this new area, but the authority's extensive planning and land resumption powers not be extended to this project.

The Minister referred to the outstanding success of the East Perth Redevelopment Project in converting an underutilised industrial land area into a desirable residential area. As a member of the party that instigated the legislation to set up that authority, I cannot but agree with that comment. The Minister notes that the city northern bypass project provides a similar opportunity to redevelop areas of Northbridge that have been underutilised as a result of reservation for road purposes with most of the land being owned by the Western Australian Planning Commission and Main Roads Western Australia. Of course, an opportunity exists; however, it is not so much an opportunity of tracts of land being underutilised, but an opportunity provided by the scorched earth policy of the Government on this section of Northbridge.

In introducing the Bill in this House the Minister noted that the Minister for Planning gave notice to introduce this Bill on 14 May 1996. However, the Government has been seemingly in no hurry to proceed with it. The Minister comments that the East Perth Redevelopment Authority, with its extensive experience, is best placed to deal with this. The Opposition agrees that it is far better to use an existing authority than to create a new authority. The Minister notes in passing that this additional function for the East Perth Redevelopment Authority will be subject to the approval of the Governor on a project by project basis. I am not sure what that means; whether the Northbridge urban renewal project is one project totally approved by the Governor or whether there are particular functions under that authority so that each becomes a project.

The Bill is very short. New section 18A(3) states that the Governor may by subsequent order published in the *Government Gazette* amend or revoke an order under the new subsection. One would normally expect a schedule to indicate the area concerned. Mention is made in new section 18A(4) of the relevant public authority. I am sure the Minister will be able to define exactly what a relevant public authority is in this regard.

In supporting this legislation the Opposition must recognise the grave error the Government has committed with the tunnel/trench through Northbridge. The other day I called in to the Ministry for Planning office, which has a model of the Northbridge bypass, and I asked whether there was any information on the trench. I was promptly corrected and told that it was a tunnel, not a trench. I had to concede that it was a tunnel/trench. "No, no," I was told, "From Fitzgerald Street to Lord Street it is a tunnel." I said, "Of course. What is it then on the other side of Lord Street and Fitzgerald Street, but a trench?" Nevertheless, the Opposition recognises that the Government has erred in its policy of providing for this tunnel/trench. The faults, so to speak in this regard, have been apparent to the public for some time. The cost is in the vicinity of $400m, when we tote up the land and everything else. We have noted in this Chamber the Government's exercise of buying pubs for $7m and trying to get $3.5m for what is left of them. There is the absolute cost of about $400m. The real cost is in terms of other projects that have been forgone. Many members will be able to identify projects that would be more worthy beneficiaries of $400m in public funds. In my electorate that would provide an impetus to the southern railway and bring it as far as at least Rockingham on the way to Mandurah.

The Opposition recognises that the problem of the tunnel/trench is that it is a triumph of private transport over public transportation. Members would be aware that as they come off the off ramp of the freeway onto Charles Street, which turns into Fitzgerald Street, the wing that would take drivers down to Aberdeen Street is blocked off. It remained blocked off and not proceeded with because the previous Labor Administration did not adopt the master plan of the evil empire, Main Roads. With the change of Administration came a wholehearted endorsement of private transport over efforts to encourage public transportation. We have seen evidence of this time and time again in this House in comments of the Minister for Transport on aspects of the rail system. More recently I have seen it affect my electorate, with the Minister's indication that the southern rail line will not be contemplated before 2015, which is 20 years' hence, because state funds - public funds - are being utilised in digging trenches to provide motor vehicle bypasses. Environmental problems are associated with this exercise. Members are aware of recent reports. Hon Jim Scott tabled a report only last week for the edification of members of Parliament.

Hon Peter Foss: Which actually supports that.

Hon John Halden: It is interesting that Hon Jim Scott should table it on behalf of the Government.

Hon J.A. COWDELL: Indeed. I think it was on behalf of the people, actually.

Hon Peter Foss: Many things are claimed in that name.

Hon John Halden: Not the tabling of the report, anyway.

Hon J.A. COWDELL: That report -

Point of Order

Hon PETER FOSS: I have sat enthralled by the predicable diversion from the Bill, but I hope the member can direct himself to the Bill, rather than give an edifying and interesting examination of something totally different.

The DEPUTY PRESIDENT (Hon Cheryl Davenport): I am not sure that that is a point of order, but I ask the member to confine his remarks to the Bill.

Debate Resumed

Hon J.A. COWDELL: I am sure the Minister will be keenly aware of relevancy in this regard. It is, of course, by this legislation, that the Government is attempting to undo some of the damage that has been done by virtue of the tunnel/trench. That is the purpose; to give the East Perth Redevelopment Authority a charter to do something to rectify the situation in an urban sense to overcome what is taking place at the moment with the construction of the tunnel/trench. I was pointing out that, although the Opposition supports the legislation, it will not be able to overcome certain things. The Opposition regrets that it will not be able to retrieve the $400m wasted and the real cost in terms of other projects. The Opposition regrets that it will not reverse the diversion of those funds from public to private transport. The Opposition regrets that it will not overcome environmental problems with respect to the haze in Perth and the extra deaths which occur each year - I think the figure is 75 - as a result of air pollution problems.

Hon Peter Foss: That is absolutely incorrect.

The DEPUTY PRESIDENT (Hon Cheryl Davenport): Order! The Minister will have the chance to correct the figure when he responds.

Hon J.A. COWDELL: How many is it, if not 75?

Point of Order

Hon PETER FOSS: I am happy for the member to talk about the tunnel, but when he talks about reports on the general atmosphere in Perth he is being totally irrelevant and I object.

The DEPUTY PRESIDENT: I ask the member to confine his remarks to the Bill.

Debate Resumed

Hon J.A. COWDELL: I always confine my remarks to the Bill. I was expressing the Opposition's regret that, although it supports the Bill, it cannot overcome some fundamental problems of the Government's own creation; that is, the problems the Minister seems to have overlooked in relation to the cost of transport, environmental problems -

Point of Order

Hon PETER FOSS: The member is now debating your request that he stick to the Bill, Madam Deputy President; he is going over his argument. He should not try to argue the point of whether he is or is not debating the Bill.

The DEPUTY PRESIDENT: That is not a point of order.

Debate Resumed

Hon J.A. COWDELL: I was, as ever, complying with your instruction, Madam Deputy President, in this regard to pertinently address the Bill before the House. Although the Bill has some worthwhile features, it cannot address some problems of the Government's creation. For example, it can provide for the development of new precincts, but it cannot overcome the destruction of heritage and heritage buildings that will be bowled over as a result of the tunnel/trench.

Hon John Halden: Is that true?

Hon J.A. COWDELL: Indeed.

Hon John Halden: The legislation refers to preservation of heritage buildings.

Hon J.A. COWDELL: Some heritage buildings in the way of the trench will not be preserved, and others on the fringes may be preserved. The congregation of St Brigid's hope that its building will not be shaken to the foundations and that a suitable buffer zone will be provided. However, day by day that buffer zone is being eroded. The Opposition supports this Bill because it is at least some attempt to ameliorate the harm the Government has caused. We must all make an attempt to lessen the impact of this blunder. The East Perth Redevelopment Authority has experience in developing a downgraded area. Certainly, courtesy of the Government, Northbridge is becoming a degraded area, and the East Perth Redevelopment Authority has expertise in dealing with those sorts of problems. It is desirable that this Parliament not create any new QANGO or authority when one is available to serve the purpose. The Opposition agrees with the Government in that regard.

East Perth is a relative, but not total, success and the Opposition recognises the merit of the work done by the East Perth Redevelopment Authority. However, some success should be expected, as an amount of $100m of public funds has been expended - a combination of $70m from the State and $30m from the Commonwealth. The State is able to recoup some of its funds. Of course, it must be recognised that the East Perth Redevelopment Authority was set up by the previous Labor Administration, and it had the opportunity to operate with the funds provided by the Commonwealth Labor Government's Better Cities project. They were two sizeable advantages, although there were some negatives in the development and how it has ended up.

In supporting this Bill which will extend the authority's mandate to cover the Northbridge bypass, the Opposition looks for some riding instructions for the authority when it takes on this new task. The Opposition hopes that some of the mistakes of East Perth will not be repeated. In one instance involving the Boral concrete batching plant in Summers Street, the Minister for Planning - I support him in this matter - overrode the East Perth Redevelopment Authority in the interests of better planning. The East Perth Redevelopment Authority did not get it right in every regard. Nor do I think the mix of housing in East Perth is as it was originally envisaged by Parliament or the previous Government. I refer not so much to the density, but rather to the mixture of affordable low priced housing and expensive developments. It is predominantly a development of one class in East Perth, if one considers the prices at which the properties are advertised in the newspaper. I hope some of those exercises will not be repeated in Northbridge.

In the East Perth redevelopment there are some open spaces which are sterile and unusable. Open spaces must be provided in both the Northbridge bypass area and East Perth. However, they must be usable in the European sense of being squares surrounded by housing, rather than sterile open spaces that are not utilised by the public. In supporting this Bill, I commend to the Government and the East Perth Redevelopment Authority some of the public submissions on what could happen. I took note of the Ministry for Planning's Northbridge urban renewal study, which is a valuable blueprint for the new authority.

The public workshops identified public concerns. Concerns were expressed that the community would be severed and that any redevelopment would need to overcome that; that buildings with heritage significance be protected during and after the construction process as much as possible; that the impact on the businesses of Northbridge and their ability to remain viable during the time of construction which covers many years be minimised; and that the impact on the character of Northbridge in terms of building form and social culture be also minimised.

I commend also some of the suggestions that were made at the public workshops to the Government and to the development authority. It has been suggested that friendly urban designs be sought and that height restrictions be put in place so that buildings are only of two or three stories. It has been suggested also that Francis Street become a pedestrian mall, and that tree planting be encouraged. I do not endorse all the suggestions. However, many of them need to be taken into account by the Government and the new planning authority. I hope that Weld Square will be used by Aboriginal people on a continuing basis. I am concerned, however, that all the trees will be removed from Weld Square because of this tunnel. There is a need also to take account of the impact the tunnel will have on educational facilities and a need to provide an increased number of residential units for the student population.

Some arguments have been put for retaining some of the buildings. Some of those buildings, including the Protestant Hall, Backpackers International, which has a particular significance, the Lone Star Hotel and others will go by the wayside, with the beer garden of the Aberdeen Hotel going, as we have learnt from debates in this Chamber already. The local people have suggested that an adequate number of hostels and hotels be provided for tourists and that the area be enhanced as a tourist precinct with the land behind St Brigid's being used for parking and more generally for church and school use. A particular concern expressed during the workshops was that low income dwellers should not be excluded entirely from this area of the city. It was hoped that this area would not go the same way as East Perth, with all low income dwellers being moved out and its becoming an area for higher income earners.

I will not go into all the concerns. However, people expressed concerns about the impact of vehicle emissions and dust and noise pollution from the tunnel and about how the exhaust would be taken out of the tunnel. Suggestions were made about providing a monorail. I do not commend that unreservedly to the development authority. However, all these suggestions were very valuable inputs made by residents in the area. One section of the report refers to the views of stakeholders. Main Roads was very vocal in its demands for adequate provision to be made to accommodate required infrastructure for the tunnel; proposed land uses being compatible with the restrictions due to the presence of tunnel; and the proposed lowering of the tunnel to provide for development above or significantly impacting on construction costs. Main Roads said that there might be a requirement for ventilation structures for the tunnel, the location, size and height of which cannot be defined at this stage. It also said that an emergency pedestrian exit from the tunnel would be required in the vicinity of William Street; and that a control building would be required in the vicinity of Lord Street and in close proximity to a maintenance yard. There is a set of demands from Main Roads in support of this Bill. We hope that the development authority will take as much, if not more, notice of the requirements of the City of Perth and the Town of Vincent and their submission for the enhancement of our capital city.

The Town of Vincent expressed its concerns and they should be taken into account by the new authority. It is concerned about long term traffic increases in the local streets and the location and size of the ventilation tunnels. The authority should take account of the submission of the Police Department and its need to secure a policing strategy for the area. There was significant input by Homeswest as a stakeholder. So often its requirements are overlooked. Concern was expressed by Homeswest about the Ministry for Planning continuing to support Homeswest in that part of the city. Homeswest acknowledges that the usual renewal program can offer a unique opportunity for people to live in the city in a climate of social and economic diversity. Given the current demand and an up to seven year waiting list, Homeswest has sought to accommodate in the area in the medium to long term a certain number of facilities for the people it looks after. There is a requirement to take account of TAFE and to secure an education strategy. St Brigid's expressed a desire to secure the religious precinct and to enhance and not diminish that precinct. I notice that has been the subject of some concern in recent news reports. Of course, concerns were expressed by Step One about its program which helps disadvantaged young people. The Opposition raises these concerns and they need to be taken into account by the East Perth Redevelopment Authority in its new role. I reiterate that the Opposition's positive charge to the authority in its new role is not to repeat some of the mistakes which were made in East Perth. This opportunity provides some limited amelioration for what is already happening.

I note the comment in the report by Main Roads Western Australia that 14 sites listed as "significant" are destined not to be conserved. Ordinarily, these sites would qualify for entry in the register of heritage places of the Heritage Council of Western Australia and the register of the national estate of the Australian Heritage Commission or classification by the National Trust of Australia (WA). The report also states that 24 sites will have a 3 rating.

I indicated previously that there is a list of places which are not to be conserved. Obviously, some of them have particular significance, even the trees in Weld Square. Despite the historical and cultural significance of some of these places - for example, the Youth Hostels Association building at 62 Newcastle Street, which was the first and original youth hostel in Perth and was built in 1899 - they will have to go. Of course, there are certain things which cannot be rectified by the redevelopment authority, one being the conservation buildings which will go and the problems of pollution and induced traffic. Professor Gordon Stephenson publicly supported the view that the Northbridge tunnel would bring traffic and pollution closer to the city centre. He said that the tunnel would attract motorists using routes further from the city and that if more cars were attracted to the city the result would be more pollution problems.

I will not go into the detail, but an excellent report was prepared by Jeff Kenworthy of Murdoch University titled "The City Northern Bypass: Why It Should Never Be Built and Why We Should Have Light Rail Instead". He points in that report to the problems experienced in North American cities, from which this State has not learnt. It is a worthwhile study and members should acquaint themselves with some of its conclusions.

The Opposition in supporting this Bill makes it very clear that it does not support the development that occasioned what the Government refers to as a wonderful opportunity; that is, the Northbridge trench tunnel - with its real cost, being the triumph of private over public transport, its environmental problems, its destruction of heritage sites, all the other problems associated with it and the opportunity forgon, which has a record and degree of expertise, to provide some amelioration of the situation. It hopes that it will not repeat some of the faults which occurred in the East Perth redevelopment area. The Opposition looks forward to the authority taking into account the worthwhile suggestions from both the residents of the area and the stakeholders of how the $400m hole could be turned into an opportunity.

[Resolved, that the House continue to sit beyond 11.00 pm.]

HON JOHN HALDEN (South Metropolitan) [9.17 pm]: I quite clearly understand the reason the Government wants the East Perth Redevelopment Authority to take over the management of the Northbridge urban renewal project. If one wanted to destroy the city of Perth one would hand over the management of the project to Main Roads Western Australia. Members are aware of the fiasco of the Aberdeen Hotel, the heritage review process which was not completed by this Government and was managed by Main Roads, and the new roads, tunnels and trenches which are being built supposedly to improve the quality of life in this city, particularly from an environmental perspective. It is a position which is not acceptable to anybody who is an authority on inner city transport strategy.

Why would one not hand responsibility for it to the East Perth Redevelopment Authority, which has had some success and also has had to deal with controversy? There is no doubt that since this House passed the original Act in 1991 the inner city area has been transformed into a far more suitable locality. In 1991 it was unsewered and had a number of industrial sites as well as vacant properties. The responsibility for this project is being given to the East Perth Redevelopment Authority because the Minister for Transport and Main Roads did everything imaginable to bungle the process. Why would one not hand the responsibility for it to a more competent organisation? The development of Northbridge has resulted in nothing other than incompetent bungling from go to woe.

There are encouraging signs with the East Perth redevelopment. The area has taken on some of the hallmarks of other inner city redevelopments. One can compare it favourably with the docklands in London and Darling Harbour in Sydney. That could not be said about the Northbridge tunnel. Under the original Bill the authority had extensive planning and land acquisition powers. I note that it is not proposed to extend those powers in this Bill.

How does this Bill provide to the authorities a requirement to consider heritage matters? After the arrant nonsense this House put up with from the Minister for Transport and Main Roads about the heritage approval process, which was never completed, does the authority intend to complete that process? It would be nice and in keeping with the trust that the Government placed upon itself but never kept.

I take this opportunity to refer to the second reading speech - that one and a half page marvel of information presented by Minister for Planning. The second reading speech should have clarified why the East Perth Redevelopment Authority was the most appropriate agency to carry out this job. I accept that it is a competent agency, but it has not finished its job. There is no doubt that the first stage of the authority's job - the civil engineering requirements, including clearing, removal of contamination and installation of appropriate infrastructure such as gas and electricity - has been completed. We are now in the land disposal phase. However, there is a most important ongoing phase;

that is, the responsibility of the authority to generate a "vibrant urban environment" - to achieve the appropriate mix of commercial, residential and retail development. In effect, it has a responsibility to create the "urban village". There are growing signs that that concept has deteriorated, and that has occurred because the commitment to the social mix is disappearing day by day. The prospect of any low cost housing is diminishing. The area is becoming little more than a continuation of trendy inner city redevelopment while the urban mix that we envisaged in 1991 is being lost.

The prospect of the desired mix between commercial, residential and retail development is also in jeopardy because of planning decisions. I know the authority has significant flexibility in that process - and "flexibility" is a euphemism for other words - but generally it has been reasonable. If we are to achieve that mix, surely the authority must have its eyes on the ball continually. We cannot allow developers to be involved in shoddy processes; and we cannot allow the authority, with its focus on land disposal, to exercise considerable flexibility in relation to the R code requirements, which could ultimately undermine the desired mix and development of an appropriate urban village.

It would have been appropriate to have dealt with those matters in the second reading speech, not to have dished up to the Parliament a one and half page statement of the Government's intent and no more. This is a particularly important process, and one that the Minister for Transport and Main Roads have attempted to muck up as much as possible. The Parliament is entitled to know why the authority was given this job and to know that it would be keeping its eyes on the existing ball. That situation should have been explained in a far more appropriate way than a contemptuous second reading speech - and I do not mean to give offence to the Minister in this place.

Another aspect of the second reading speech should have been explained to the Parliament. I remember debating the legislation dealing with the Subiaco Redevelopment Authority. This Bill and the second reading speech contain reference to providing contract services for projects in areas that are "contiguous to the redevelopment boundary". That does not inform me at all. "Contiguous" can mean an enormous area of land when one considers the centrality of East Perth. It should have been included in a schedule to the Bill showing clearly what this new responsibility would cover. The Parliament will approve it and then it will be gazetted. It would have been far better and far more appropriate had this fairly narrow Bill been specific in this area rather than totally general.

Where does the East Perth Redevelopment Authority's role end? Does it go from East Perth, to Northbridge, to Mt Lawley, to West Perth, to Subiaco? The CEO of the East Perth Redevelopment Authority is also the CEO of the Subiaco Redevelopment Authority. What will be the life of the authority, or does it not have one? The problem goes back to the point I made earlier; that is, the East Perth Redevelopment Authority should have its eyes clearly focused on its primary responsibility. That was and still is the redevelopment of East Perth. It does not necessarily cover Northbridge, unless a good solid case can be advocated, and it does not necessarily involve any other leapfrogging of this authority's boundaries.

We should know what the future will be, and that would have been included in any decent second reading speech. If we are to have an inner city planning authority to subsume some of the roles of the Planning Commission and perhaps of local government authorities in the area, the Government should tell us about that. Let us not undertake this process by way of stealth, as we did earlier today. I do not mean that offensively. We should have had a clear policy statement by the Government about what is now becoming inner city redevelopment and not geographical area redevelopment. The people of Western Australia and this Parliament are entitled to an explanation along those lines. We did not get it, but we wait.

It is becoming clearer that in the longer term we are talking about inner city redevelopment. It may be that the East Perth Redevelopment Authority is the ideal instrumentality to achieve that goal. However, we should be told the Government's intention and not be subjected to this step by step process, if that is what it is to be. I concede that that is an assumption, but it is an assumption based on what is happening. It should be dispelled by the Minister for all time or we should be told that it is something that the Government may consider or it is on the cards. However, the current perception must be that that is what will happen.

I will not comment specifically on the tunnel. I notice that the Minister had some objection to such comment on the basis of lack of relevance.

Hon Peter Foss: It was in relation to going on to discuss the report, which was a little further away.

Hon JOHN HALDEN: The smog report?

Hon Peter Foss: Generally, yes.

Hon JOHN HALDEN: I do not intend to do that. I want to comment on the cross-purposes of what we have embarked upon with regard to the city of Perth. What we have endeavoured to do in East Perth by government action has been a redevelopment, and I think generally people applaud that. There have been problems, particularly about

the conflicting roles of the East Perth Redevelopment Authority in being both the developer and the manager, but generally we have to accept that this is a positive step. We have seen also some private sector independent redevelopment of the area around Northbridge, which I think most of us would support. We have then seen the Government, in the most, if I can put it bluntly, bizarre sense of wanting to impact upon an urban environment, come up with the Northbridge tunnel.

Hon Peter Foss: We did not. The people came up with it under the metropolitan region scheme amendment.

Hon JOHN HALDEN: Main Roads has come up with it for the past 15 years to any Minister who wanted to listen to it.

Hon Bob Thomas: The past 30 years.

Hon JOHN HALDEN: I concede that.

Hon Peter Foss: What you are saying is incorrect. The MRS amendment came up with the tunnel.

Hon JOHN HALDEN: Having spoken to previous Ministers for Transport, I can say it was an annual event on the part of Main Roads.

Hon Peter Foss: The MRS process led to the tunnel. We did not propose it.

Hon JOHN HALDEN: I do not care whether it was an MRS proposal. We have now surrounded this inner city area of Perth by traffic, and we have not relieved the congestion. The purpose of the tunnel, I presume from what I have heard, is to move traffic to the northern side of Perth as quickly as possible and to minimise pollution by having less congestion.

Hon Peter Foss: Most of the drivers who go through Perth have no intention of going through Perth.

Hon JOHN HALDEN: I understand that, but the potential outcomes for the roads that surround Perth - the tunnel, the freeway, Riverside Drive, the Causeway and Great Eastern Highway -

Hon Peter Foss: The other part is to remove Riverside Drive. At the moment, Newcastle Street and Riverside Drive surround the city and take a great amount of traffic. One of the things that a tunnel and any change on Riverside Drive would do is make the northern suburbs unbounded.

Hon JOHN HALDEN: That is the proposition that the Government puts forward, but it is also said that traffic on the Causeway will diminish; therefore, congestion will be reduced. Of course, the difficulty with that proposition is that Main Roads proposes to reduce the number of lanes on the Causeway; so there will be a 10 per cent reduction in traffic utilisation by the year 2021, but the 90 per cent of traffic that remains on the Causeway will have only 67 per cent of the Causeway in which to move. Traffic on the Narrows Bridge will increase from 136 000 to 170 000 vehicles per day. Traffic on the Garrett Road Bridge is expected to increase by 6 000 vehicles per day.

Hon Peter Foss: Part of the problem with both the Mitchell and Kwinana Freeways is that we are forcing people to drive through Perth. That leads to congestion because it keeps people on those two freeways.

Hon JOHN HALDEN: Yes. I will get to that. We have an expected increase from 49 000 to 125 000 vehicles that will come into the city from the eastern side, and the Mitchell Freeway will be required to take an extra 25 000 vehicles per day. This is by the year 2021; I am not suggesting it will be overnight. That suggests clearly that we are not in any way reducing or stabilising the potential for vehicular congestion on the perimeters of the city.

Hon Peter Foss: We are, because of the way they enter the city. We also need to alter the way in which vehicles enter the city. One of the problems that people have at the moment in getting into the city is that they have to go all the way through the city to get off the various roads that lead into the city. The main problem with the freeways is not just the number of cars but that people are entering and leaving, and that leads to a lot of that congestion. Much of the problem on our freeways is the position of some of the on and off ramps.

Hon JOHN HALDEN: Indeed. I cannot argue with the logic of the case that the Minister is putting forward, because he is correct. The difficulty is what option should be chosen to manage the problem. The Government has not convinced a significant sector of the lay community that the option it has chosen is appropriate. I concede that this is no more than a difference of opinion. The Government has chosen a poor option, because that ring around the city of Perth will create significant traffic congestion.

Hon Peter Foss: Do you realise that a number of people are going through the city on two sides, and sometimes on three sides, simply because of the on and off ramps and the manner in which traffic feeds into the city?

Hon JOHN HALDEN: I concede that, but at the end of the day we will still have a particularly congested peak hour ring around Perth, with all the associated problems, which I am not over-dramatising; they are known. Lay people understand the problems.

Hon Peter Foss: Public transport will not get rid of that problem because more than half of that traffic has nothing to do with people wanting to come into the city. Peak hour makes that traffic more congested, but the bulk of that traffic is not commuters.

Hon JOHN HALDEN: In essence this planning process has not resolved the potential problem of congestion. The difficulty with that is in developing urban lifestyle. We are basically all of the view that we want people to live in the city for a range of reasons, basically because we want a vibrant city and we do not want urban residential and retail wastelands. We want the best utilisation of land. That will be a particularly difficult task when we have this problem. The problem, whichever option we take, will still be there. This is the worst option that the Government could have chosen because it will allow the car to predominate.

Hon Peter Foss: The trench was another option. The three options were the trench, the tunnel, and keeping Newcastle and Aberdeen Streets as the main thoroughfares.

The DEPUTY PRESIDENT (Hon Barry House): Order! This is sounding very much like a discussion rather than a debate.

Hon JOHN HALDEN: You are right, Mr Deputy President. It is probably enjoyable for the Minister and me but not for anybody else. I agree with the Minister that they are the three options.

Hon Peter Foss: Which one would you have picked?

Hon JOHN HALDEN: I would have picked the latter.

Hon Peter Foss: The two one-way streets?

Hon JOHN HALDEN: Yes. I would have added some other issues regarding public transport. However, I have always advocated the latter option.

Hon Peter Foss: This is cross traffic!

Hon JOHN HALDEN: I understand. I would have picked the latter option. There is also a need to relieve the problem on the eastern side of the river, so we would need the bridge. I do not argue about that. We have created the problem of the quality of urban lifestyle which could eventually exist. That is, car generated pollutants will have a significant impact, and that problem will not be solved by building a trench/tunnel. That is unfortunate. The authority should look at the issue and be involved in the process of managing it. If it is to be a project manager, that will be its most significant task. It will need to make sure that the project will not impact on the quality of life in the area. Ultimately, if it does, the opportunity for success of the project may be diminished.

It is interesting that the Government has brought in the East Perth Redevelopment Authority. As Hon John Cowdell stated, we support the Bill. The East Perth Redevelopment Authority, in some respects, has done a very good job. It has had some problems, and we would like a statement regarding why the authority is the most suitable agency in this instance. That point should have been covered by the second reading speech. What will its continued involvement in East Perth mean, and what will be the future for inner city redevelopment? Will that redevelopment focus on the East Perth Redevelopment Authority? At the end of the day, all these matters can be reasonably resolved. I hope that they are. It is a shame perhaps that the East Perth Redevelopment Authority - or some other agency - was not involved in this project earlier.

The Aberdeen Hotel fiasco was no more nor less than that! The heritage process of going to only two stages, not three, was again a betrayal of confidence. I hope that the authority will perform in a far more astute way than it has in the past. I do not wish to extend the debate any longer. The Opposition supports the Bill.

HON PETER FOSS (East Metropolitan - Attorney General) [9.43 pm]: I thank Hon John Halden for his valuable contribution, because he has made an extremely useful contribution to debate about planning for Perth. It enables me to reply on that issue without having to deal with the empty polemic from the previous speaker, which I have come to expect -

Hon Kim Chance: Be charitable!

Hon PETER FOSS: We heard an excellent speech for about five minutes which dealt with the Bill, and about half an hour of empty polemic. I of course disdain to reply to empty polemic. I am happy to reply to very useful contributions such as that from Hon John Halden.

To deal with the points made by Hon John Cowdell, the term "public authority" is defined in the Act as -

> . . . a Minister of the Crown in right of the State, Government department, State trading concern, State instrumentality, State public utility and any other person or body, whether corporate or not, who or which, under the authority of any written law, administers or carries on for the benefit of the State a social service or public utility -

From my general knowledge, the two authorities most likely to be involved in this instance are Main Roads and the WA Planning Commission. Much of the land we are talking about belongs to the Planning Commission because it resumed it under various Governments over previous years for the purposes of the major road which has always been planned to link with the bridge over the river - which was shifted. That brings me to the point about how we came about choosing a tunnel. Some mythology has evolved as to how it happened supposedly without consulting the people. When the matter came before the Planning Commission, the plan was for a trench. The three options were mentioned by Hon John Halden: The Aberdeen-Newcastle Streets option was to do nothing; not to build new roads but to adapt the current roads; to link them to the bridge over the river which, I understand, Hon John Halden admits needs to be built; and to turn them into one way streets and hammer more traffic down them. The second alternative was to build a trench. The benefit of the trench was that it would be considerably cheaper than a tunnel. The final option was the tunnel.

During the metropolitan region scheme amendment it was necessary to shift the location of the road, because the bridge was shifted and various subsequent attachments needed some change, which led to the MRS amendment. The proposition was for a trench, although the other alternatives of the Aberdeen-Newcastle Street scenario and the tunnel were offered. Under that public process, the tunnel was the favoured alternative.

Hon J.A. Cowdell: It was the lesser of two evils.

Hon PETER FOSS: It was the favoured alternative. I hope we agree that there were only three alternatives. We cannot say that we do not want anything to happen; that we do not want any traffic; that the traffic will not be there, therefore we will ignore it. If we pretend it is not there, it is not there! However, the traffic is there, and it will move. The three alternatives were the current surface roads, a tunnel and a trench. The public said that they wanted the tunnel. That has posed problems for the Government. The obvious problem is that it will be considerably more expensive than a trench and more expensive than merely the Aberdeen-Newcastle Street option. We did not propose the Aberdeen-Newcastle Street option, for obvious reasons. Where are the ordinary divisions in Perth? Where is Perth's first cut-off on an east-west basis? It is Riverside Drive. A number of propositions have been made to do something about Riverside Drive to give people access to the river from the city. Heavy traffic flowing east-west is a division.

Hon J.A. Cowdell: But this will not ease the Riverside Drive problem.

Hon PETER FOSS: It is a division. One proposition is to sweep Riverside Drive further up to Government House, or to sink Riverside Drive. People recognise that proposition.

The next major barrier to the city and to traffic flowing into Northbridge is the railway. The people who oppose the tunnel to replace Newcastle Street are the same people who say we should sink the railway. Members should check the names of the people who have said that we cannot have a tunnel. They are the same people who want to sink the railway, and for good reason: The railway is a barrier between the city and Northbridge. What has not helped is the blank wall of the Alexander Library car park. The Government has suggested some redevelopment there. The Cultural Centre Redevelopment Committee has suggested that we should do something about the area and redevelop it so that Roe Street becomes a far more welcoming area into Northbridge, and to allow much more of a flow of people to Northbridge than is currently the case. We want a freer flow of people between the city and Northbridge, because it will have many benefits for both the city and Northbridge. However, the railway is an obstruction.

Where has Northbridge stopped? In many ways, it has stopped at Newcastle Street. One need only try to cross Newcastle Street to discover that there is a world of difference between trying to cross Newcastle Street and trying to cross any other street in the area. That is because of the significant flow of traffic along Newcastle Street. I know that, because I frequently walk to work and must cross those streets. Such a difference exists.

Many people have seen opportunities; for example, a very good suggestion has come from the Aboriginal Advancement Council for a significant development of that area near the Lone Star Saloon. It has indicated that a real opportunity exists now for a significant Aboriginal cultural development to take place extending over Newcastle Street into that area. The proposition is excellent. It will involve Weld Square and fairly substantial Aboriginal land holdings. It has seen the opportunities that the removal of Newcastle Street as a major traffic carriage will present.

People do not realise that much of the traffic that is forced through the streets of Perth is not destined for Perth. Some of the major contributions to smog in our city do not come from commuting vehicles driven by people who have business in central Perth but by people who are forced by the present traffic system to travel through Perth. People who want to go through Perth are often forced to go around three sides of Perth to reach their destination. People travelling down the Mitchell Freeway who want to go to one end of the city must get off the freeway at Riverside Drive, go back into the city, often along one-way streets, to get to where they want to go. That is not very sensible traffic management. Hon Eric Charlton is examining the possible rationalisation of that traffic movement into Perth.

In the light of the rather complex movements of vehicles, and location of on and off ramps, traffic passing through Perth is caught in congestion because the roads are not sufficient and because they meet cross-traffic. Anyone travelling along Newcastle Street will stop at major roads such as William Street and Barrack Street. That traffic will not disappear, but we can take measures to restrict the amount of commuters. We have announced some measures and there are more to come. That will not mean that the traffic will stop. Whenever vehicles stop at traffic lights and crossings, congestion takes place.

A diagram in the photochemical smog report indicates the difference in the emissions of various vehicles. The worst emissions occur when traffic is stalled and moving slowly. As a matter of logic, at below 30 kilometres an hour not only do vehicles spend more time on the road and therefore emit for greater periods but also the amount of adverse emissions is hugely increased. The difference in emissions is not just a tiny amount; it increases by a number of factors. If we ignore that we ignore the realities of the smog report. It is all very well to belt people over the head with reports, but why do people not read what is inside them? They will see that the majority of the traffic, that has nothing to do with commuters, is being held up by the inadequacies of the roads and traffic flows because it is forced through the city. One of the major arguments against the tunnel is that it will cut Northbridge in half. How can something under the ground cut off another part of the city? We have already heard people argue that we should sink Riverside Drive so that people will not be cut off from the river and that we should sink the railway line to join Perth and Northbridge; yet it is purported that somehow a tunnel below the ground will cut off part of Northbridge north of Newcastle Street in a way that Newcastle Street does not cut it off.

Newcastle Street is a barrier because cars travelling along it above ground cut off Northbridge from the area further north. I agree that in many ways a trench would have reconciled the problems of traffic crossing in those areas. However, from a visual and audio point of view it would have cut off the area, although not in the same way as Aberdeen and Newcastle Streets do. Are people saying that the subway system in England cuts off all the traffic; that it has some sort of visual effect on people?

Hon J.A. Cowdell: It depends what is put on top of it.

Hon PETER FOSS: Exactly. This Government intends to put on top something which will join it in a way that Newcastle Street does not. If we wanted to really cut off that part of the city not only Newcastle Street but also Aberdeen Street could cut it off extremely effectively. It would be a double cut rather than a single cut. Some of the people making those statements should explain to people how an underground tunnel will have more effect than two roads full of traffic.

A lot of rubbish is being spoken about how a tunnel can cut off an area, when the same people are suggesting we should sink Riverside Drive and the railway line. Those people should be asked to explain how Newcastle Street and Aberdeen Street with hundreds of cars travelling along them will be an improvement on a tunnel. It is one of the reasons that, during public consultation on the MRS, members of the public said they wanted the tunnel. They rightfully saw it as the only remedy that would not have the effect of cutting Northbridge in half; in fact deeply incising what is already being done by Newcastle Street.

Nonsense is being talked about the environment as if the traffic will not exist if we do not put in the tunnel. It will exist. The only person who was realistic about that was Hon John Halden, who recognised what will be the traffic situation. The smog report - not the haze report; the smog report is the one about emissions - indicates that changing the speed of vehicles is one of the best ways to reduce bad emissions.

Hon J.A. Cowdell: There is some dispute about that.

Hon PETER FOSS: If Hon John Cowdell read the report, rather than merely listening to what other people say about it, he would see that there is no dispute about that.

Hon J.A. Scott: Which report?

Hon PETER FOSS: The photochemical smog report, not the haze report. The haze report does not indicate that 75 premature deaths will occur. One must understand what is meant by "premature death". If someone is run over by a car we could say he was killed by a car. If, on the other hand, one were looking at statistics and believed that

the effect of certain things was to decrease a person's lifetime, that could be a reduction in his lifetime - it is purely a statistical estimation - of one hour, one day, one month or one year. All those count as premature -

Hon J.A. Cowdell interjected.

Hon PETER FOSS: I am saying that Mr Cowdell is misrepresenting these statistics.

Hon J.A. Cowdell: You are giving statistics that are out of order.

Hon PETER FOSS: I am sure it is irrelevant. Hon John Cowdell's having raised it, I shall reply to it. He has it wrong. People should stop using incorrect terminology. It is not that people are being killed but that a statistical estimate has been made of the amount of premature deaths. That can be anything from one hour to one year. To say that people are being killed per se is positively misleading and it is about time people stopped saying that and started being honest about what the statistics mean. Hon John Cowdell referred to them as though someone were rolled over by a haze; in other words, had been killed by a haze. It does not work that way.

Hon J.A. Scott: It does.

Hon PETER FOSS: Hon Jim Scott says that people get killed by being rolled over by haze. It is an interesting concept but not one that is statistically supported.

Hon J.A. Scott: I can produce a study.

The DEPUTY PRESIDENT: Order! I have been listening and I have not heard the words "East Perth Redevelopment Amendment Bill" for quite some time.

Hon PETER FOSS: One of my problems is to deal with the irrelevancies of Hon John Cowdell. If he had been pulled up in the first instance, I would not have had to reply to them.

Hon J.A. Cowdell interjected.

Hon Derrick Tomlinson: The best way to deal with his irrelevancies is to ignore them.

Hon PETER FOSS: I agree with that. Hon John Halden asked why we picked the East Perth Redevelopment Authority rather than any other body. I do not think there is another body. We do not have an urban redevelopment authority as a whole. The Government decided not to create an urban redevelopment authority. We could have taken the opportunity at this stage to say that we would create an urban redevelopment authority. That is a matter to be dealt with at another time. We may or may not make that decision, but we specifically decided we would not create an urban redevelopment authority. Although we decided not to go that way, we believed that an authority with some capacity to deal with urban redevelopment was necessary in this area. The East Perth Redevelopment Authority is most appropriate if the land is contiguous. How well the road is altered will have an impact on this area. Therefore, they have a natural affinity. The only other redevelopment authority that we have is the Subiaco Redevelopment Authority. It would be rather difficult to see how one could stretch the role of the Subiaco Redevelopment Authority to have any relevance to East Perth. An urban redevelopment authority may be an argument for another time, but it is certainly not intended that we should by some form of accretion turn the East Perth Redevelopment Authority into an urban redevelopment authority. If we were to make that decision, it would be as a specific decision. Interestingly enough, this debate has come up before during the debate on the East Perth Redevelopment Authority legislation. It was suggested that by proclamation we might add one. We said no, that if we were to change its role another Act would be needed. The only thing we allowed at that time was some ability to deal with contiguous areas. This Bill is consistent with the decision made at that time.

I have dealt with the major areas that were raised which are germane to the point. I agree with Hon John Halden that we need in this area a body to make the most of this real opportunity. Perhaps it would have been wise to have had it at an earlier stage. The opportunity has been seen by a number of people alongside that area. We have a real chance to make a difference to that north Perth area. Bodies like the Aboriginal Advancement Council will come forward with their views and see this as an opportunity to develop alongside an area which will be quite exciting. We have the capacity to revitalise the area and to extend activities further north. The Aboriginal Advancement Council has seen that the official cultural centre may go out as far as Newcastle Street. Its capacity to put a mainstream Aboriginal cultural development there is very important and very exciting. As other people look at this as an opportunity, as opposed to the negative attitudes displayed by some people, we will start to get ideas flooding in which will turn that area of Perth into a highly valuable and useful area. It took some time for Northbridge to be seen that way.

One of the things that started Northbridge off was the Festival of Perth moving there. The Festival of Perth has since been quite useful in helping the west end of Perth revitalise. All these things occur through private owners of land

in those areas seeing opportunities. Government has to provide the opportunity for them to tie in together. Because we have taken a major busy road, which until now has prevented connection, and sunk it, we will allow that connection to occur. If that is done imaginatively, private industry will tie in to it. We had the opportunity for a living and active part of Perth to sweep as far up as, say, Brisbane Street. That is tremendously exciting. That will happen in the next five to 10 years. When we see that happening, we will be very grateful that this Bill was passed and that the road which cut off that area for so long was sunk. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

Committee

The Deputy Chairman of Committees (Hon Derrick Tomlinson) in the Chair; Hon Peter Foss (Attorney General) in charge of the Bill.

Clauses 1 to 4 put and passed.

Clause 5: Section 18A inserted -

Hon JOHN HALDEN: I do not mean to be critical. During the second reading speech I asked why it is that the Government proposes to gazette the area and not approach this by way of a schedule, which is traditional for redevelopment authorities, so that we all know what we are talking about when we pass legislation. We would have been assisted in our deliberations if we had known what was proposed here. I asked this for another reason. At the moment one could fairly assume that the area we are talking about is encompassed by the City of Perth. Of course, if we go to the Minister's position of Brisbane Street, assuming I know where local government boundaries are these days, it is in the Town of Vincent.

Hon Peter Foss: I am not suggesting it will do anything in Brisbane Street. It would be private land.

Hon JOHN HALDEN: That is why I am suggesting to the Minister that it is appropriate when discussing a Bill such as this that we know the parameters of what we are discussing.

Hon PETER FOSS: The land has to be contiguous. The land that is in the ownership of Government one way or another is all contiguous. It touches at the East Perth level and then snakes through the city with land owned by government There is no power to acquire any other land. The East Perth Redevelopment Authority had the capacity to deal with land in its area because if it did not own it, it could acquire it. It is certainly not intended to go outside land owned by the Government. That is the basic limitation. We would not be able to get to other land owned by the Government without hopping across a gap which would make it non-contiguous and therefore not able to be dealt with under this Bill. It would have to be land owned by the Government alongside other land owned by the Government which eventually ends up touching on East Perth. It touches at East Perth, therefore it is contiguous. Having touched at East Perth there is touching land all the way along the road. Seventy-five per cent of the land is owned by the Western Australian Planning Commission and 25 per cent by Main Roads Western Australia. That land will make a continuous contiguous set of land from East Perth along the line of the road. Some of that land will be tunnel, and when the tunnel has been constructed it will be the land above the tunnel which will be developed. Some of it will remain a road and that land will not be developed.

Clause put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Peter Foss (Attorney General), and passed.

STAMP AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Max Evans (Minister for Finance) read a first time.

Second Reading

HON MAX EVANS (North Metropolitan - Minister for Finance) [10.14 pm]: I move -

That the Bill be now read a second time.

This Bill seeks to amend the Stamp Act to address a deficiency in the legislation that has arisen as a result of changes in business practice regarding the way company takeovers are effected. By way of background, the Stamp Act imposes duty on off-market transfers of shares in companies incorporated in Western Australia. However, the Act does not impose duty on an acquisition of a company undertaken off-market by other means. Notably, the issue and cancellation of shares are not generally subject to duty.

When a person seeks to take over a public company, the acquisition must be effected in accordance with chapter 6 of the Corporations Law. This normally requires the direct acquisition by the acquirer of the issued shares in the company it is seeking to take over. As this procedure necessitates a transfer of the shares, stamp duty is payable on the acquisition. Notwithstanding that chapter 6 of the Corporations Law requires a takeover to be effected by the direct acquisition of the other shareholders' shares, the Australian Securities Commission has special powers to permit a takeover to be effected by way of a selective reduction in the capital of a company. Such a capital reduction, if structured in an appropriate manner, can result in no stamp duty being required to be paid on the acquisition. For example, if an existing shareholder of a target company wishes to undertake a friendly takeover of the remaining shares in that company, it can do so via such a mechanism. However, rather than purchasing all other shares and receiving them by way of transfer, under either a special resolution of shareholders or a court approved scheme of arrangement, those shares could be cancelled, leaving the person or company wishing to effect the takeover as the sole shareholder of the target company. Consideration for the cancellation of those shares could be provided through either the issue of shares in the new owner of the company or a straight cash payment of equal value to the shares cancelled.

As I have already mentioned, because the Stamp Act currently imposes duty only on the transfer of shares, the acquisition of the company in this manner would not be subject to stamp duty. It must be stressed that transactions undertaken in this manner are not necessarily driven by stamp duty considerations. For example, a scheme of arrangement by way of a capital reduction may be attractive to enable the ordinary shares, convertible notes and options of a company to be acquired through the one mechanism rather than separate offers being required to be made for each type of security on issue.

Furthermore, an acquisition in this manner provides greater certainty that the takeover will succeed. Were an acquisition to be pursued by way of a takeover offer, the acquiring company would be required to obtain 90 per cent of the issued shares in the target before a compulsory acquisition could occur. Under a scheme of arrangement, it needs only 50 per cent of shareholders representing 75 per cent of the issued shares to agree to the scheme to ensure that the takeover succeeds. It is inequitable that a company takeover involving the transfer of shares is subject to stamp duty whereas a company takeover pursued by way of a capital reduction is not. The Australian Securities Commission has advised that it has become increasingly common for the acquisition of a company to be pursued via a scheme of arrangement involving a capital reduction approved by the commission. The commission's obligation, however, is limited to ensuring that the shareholders of the takeover target are fully informed and dealt with in an evenhanded manner. The fact that stamp duty is minimised is immaterial. This problem was brought to the attention of the Government late last year.

On 20 November 1995, an announcement was made that amendments to the Stamp Act would be made, effective from that date. The Government's intention to amend the Act was also disseminated to the business community by way of reports of the press release in the financial Press and through a departmental circular issued by the State Revenue Department. Moreover, the Commissioner of State Taxation has indicated that immediately following enactment of this legislation, the State Revenue Department will contact those persons known to have undertaken transactions of this nature since 20 November 1995 to ensure that they are aware of their obligations.

Although the need for retrospective legislation is regretted, in this instance the threat to revenue was considered sufficiently large to warrant such action. It must be stressed that the proposed legislation does not seek to prevent the acquisition of a company by means of a capital reduction. Rather, it seeks to restore equity in the stamp duty treatment of interests in companies acquired by the direct purchase of shares with those acquired by way of capital reduction.

The proposed amendments will apply where a person gains 50 per cent voting control of a company or increases his voting control above 50 per cent by an incremental amount of 5 per cent. If such an increase in control results from either a cancellation of shares in that company or a voting rights alteration of the shares in the company followed by a share cancellation, the company is required to prepare and lodge a statement with the commissioner. Duty will then be charged on that statement at the appropriate marketable security rate of duty on the value of the cancelled shares.

The proposed legislation provides transitional provisions to facilitate the payment of duty from those persons who may already have entered into such transactions since 20 November 1995. Moreover, the legislation has been drafted

to ensure that the provisions will not apply in all cases where shares are cancelled. In particular, the provisions will not apply to share cancellations arising from share buy-backs; the ordinary forfeiture of shares; pro rata capital reductions; or the cleaning up of "odd lots" of shares.

Stamp duty associated with transactions which have been undertaken since 20 November 1995 that are expected to fall within the operations of these amendments is expected to total around $2m. Furthermore, the protection provided to the revenue in the future by these measures is likely to considerably exceed this amount, given the growing popularity of capital reductions as a means of company acquisition. I commend the Bill to the House and for the information of members, table the associated explanatory memorandum.

[See paper No 757.]

Debate adjourned, on motion by Hon Bob Thomas.

BILLS (2) - RETURNED

1. Railway Discontinuance Bill.

2. Government Railways Amendment Bill.

Bills returned from the Assembly without amendment.

SKELETON WEED AND RESISTANT GRAIN INSECTS (ERADICATION FUNDS) AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon N.F. Moore (Leader of the House), read a first time.

Second Reading

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [10.23 pm]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to establish a fund to assist with the eradication, prevention and spread of plant diseases. It will also enable assistance to be provided to growers of grain or seed crops that are destroyed in the course of action taken to eradicate or prevent the spread of specified plant diseases.

The main necessity for the proposed amendments stems from the recent outbreak of the fungal disease anthracnose which has been found in lupin crops in the northern grainbelt of Western Australia. Although albus lupins are the most susceptible to the disease, and have been the most affected, adjoining narrow leaf lupin crops have also become slightly infected. The narrow leaf lupin forms the basis of the Western Australian lupin industry and it is over this species that the greatest overall threat looms for the future. The lupin industry is worth $200m a year and rapid action has been taken to protect this important rural industry, which I might add has been developed in Western Australia by Western Australians.

The response to control the spread of the disease has been to inspect thoroughly and destroy by ploughing severely infected crops under the direction of Agriculture Western Australia. This has been achieved by using the provisions of the Plant Diseases Act 1914. The Government has been greatly encouraged by strong grower and industry support for a voluntary levy to provide some assistance to growers affected by this disease. The Grain Pool of Western Australia has agreed to collect this voluntary levy from harvest payments on lupins delivered to the 1996-97 season pool as well on as lupins sold under permit.

Eligibility for, and levels of, assistance to be paid under this voluntary scheme to affected growers will be determined by an industry committee specifically established for the task. In addition, there is a need for a fund to be established legislatively to ensure that Grain Pool advances are repaid, and to cater for future situations that may require a similar response to ensure the control of plant diseases in the grain industries. The most appropriate mechanism to ensure that the Grain Pool's advance is repaid is the present Skeleton Weed and Resistant Grain Insects (Eradication Funds) Act 1974. Under this Act contributions may be collected from growers for the control and eradication of skeleton weed and resistant grain insects.

The amendments I now bring before the Parliament will establish a separate plant diseases eradication fund to be administered by the Agriculture Protection Board. To achieve this the Skeleton Weed and Resistant Grain Insects (Eradication Funds) Act will be amended and retitled the Plant Pests and Diseases (Eradication Funds) Act. These amendments widen the provisions of the Act to allow similar collection and use of funds for the control, eradication and payment of assistance relating to specified disease and particular crop type.

The new fund will provide for the collection of fees from all growers of a crop type affected by a disease that requires destruction of the crop to facilitate the control of the disease. The declaration of this disease will be approved by the Minister in consultation with the industry. Additionally, the amendments ensure that collected funds cannot be used for different purposes; that is, funds collected for skeleton weed and resistant grain insect control may be used only for that purpose.

Funds collected under these amendments may be used for only specified grain disease control purposes. The Bill is consistent with the objective of encouraging industry self-reliance as all funding will be provided by the affected grain growing industry. There is urgency attached to getting these amendments in place to provide certainty to producers for assistance and to the Grain Pool for repayment of its reserves under the temporary arrangement. I commend the Bill to the House.

Debate adjourned, on motion by Hon Bob Thomas.

FIREARMS AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Peter Foss (Attorney General), read a first time.

Second Reading

HON PETER FOSS (East Metropolitan - Attorney General) [10.26 pm]: I move -

That the Bill be now read a second time.

The Firearms Act 1973 makes provision for the control and regulation of firearms and ammunition and for the licensing of persons possessing, using, dealing in, manufacturing and repairing firearms and ammunition. Since first coming into operation, the Act has been subject to only minor amendment. The Bill will significantly amend the Act by rectifying numerous existing anomalies and inadequacies, and reflects resolutions emanating from the special meetings of the Australasian Police Ministers' Council relating to national uniform firearm laws.

Since coming to power, the coalition Government has announced its intention to make the Act a Statute that meets community expectations in respect of the regulation and use of firearms and ammunition. It remains the Government's very strong belief that the majority of firearm licence holders in this State are responsible, law abiding people. Accordingly, it is not intended to prevent the possession or use of firearms and ammunition by those who have a legitimate occupational, recreational or sporting need.

To advise members of the House of the history of the diverse range of amendments, I will now detail the principal events that have impacted on the Bill's development. For many years concerns have been expressed by members of the firearms trade, the judiciary, the Police Service, shooting organisations and other interested parties, in respect of the adequacy of the Act. As a result of these concerns, several reviews of the Act have been undertaken, the last independent review being in 1981 when the then Liberal Government appointed Mr Oliver Dixon to examine and report on the Act. The Dixon report and at least three subsequent reviews of his report have never been acted upon.

Since this Government came to office, reform of the Act had progressed the issue to the stage that in May of this year, to ensure the widest possible input into the proposed amendments, the Firearms Amendment Bill, commonly referred to as the Firearms Green Bill, was released for public comment. The Green Bill was available for comment between May and 1 August 1996. The public was notified of the Bill's existence by advertisements placed in the printed media, press releases and many public announcements made by the Minister for Police urging interested persons to make submissions. Copies of the Bill and accompanying summary notes of the amendments were freely distributed from the Minister's office, the Police Service and the State Law Publisher. Additionally, copies of the Green Bill were forwarded to major stakeholders, including community groups, firearm industry groups, professional bodies and various government agencies. Over 800 public submissions were received and examined, with numerous suggestions being reflected in today's Bill.

Owing to the less than satisfactory legislation operating in several other jurisdictions, the Minister for Police has progressed, via the APMC, the issue of national uniform firearm legislation. In progressing national uniformity, it has been the coalition Government's resolve not to compromise this State's very effective firearm licensing and registration system, which has served our community well, and which I believe is generally considered by all to be a commonsense approach to firearm regulation.

Australian Police Ministers have been working towards the introduction of a national uniform scheme for at least the past three years, and a special meeting of the APMC was scheduled for early 1996 to finalise the issue. However, the meeting was postponed following the announcement of the federal election and the subsequent state election in

Victoria. It is now history that immediately following the tragic shootings in Port Arthur, the Prime Minister announced his desire to generally ban all semi-automatic firearms and he called together all Australian Police Ministers in Canberra on 10 May 1996. Ministers were committed from the outset to reaching an agreement that would see certain minimum standards of firearm legislation introduced nationally. Over a two-month period outstanding matters were refined, culminating in the final agreement being reached on 17 July 1996. It is pleasing to note that jurisdictions may apply a higher standard to those agreed minimum standards, thus allowing States and Territories to tailor legislation to meet the individual needs existing in each jurisdiction, and which in the State's case enables our current high standards to be retained.

Buy back-compensation scheme: As a result of the ban on most self-loading firearms, the Australian Police Ministers at their meeting on 10 May 1996 recognised that many persons who are currently authorised to possess category D type firearms will be required to dispose of those firearms, while those in possession of category C type firearms will be required to either requalify under the new licensing criteria or dispose of those firearms. In order to minimise the financial loss associated with disposing of the firearms, the Federal Government has undertaken to provide fair and proper compensation. The Federal Government has developed a compensation price list for affected firearms. The price list, which is based on research undertaken into dealers' advertised prices as at March 1996, is generally considered fair and realistic; however, to further ensure that those who have a firearm with a listed value in excess of $2 500 and who are not satisfied with the listed price are not disadvantaged, they may have the firearm independently valued by one of six appointed valuers - four in the metropolitan area and one in both Geraldton and Katanning.

Due to the impact of the proposed legislation on firearm dealers, provision has been made for reasonable compensation to be made available in respect of loss of business and existing stocks of affected firearms. To enable members of this House to be informed of the proposed changes, I will now detail the key amendments contained in this Bill.

Clause 4 will amend section 4 in respect of the definition of "ammunition", by including into that definition the terms "primer" and "propellant" manufactured specifically for use in making ammunition. This amendment is intended to ensure that these items may be sold only by firearm dealers to, and possessed by, authorised persons.

Clause 5(1) will amend section 13, which relates to the delegation of the licensing functions of the Commissioner of Police that currently are contained in the Act and partly in notices published in a 1987 *Government Gazette*. This amendment will incorporate the delegations in the Firearms Regulations 1974, making them more accessible and clearer.

Clause 6 will establish, in section 5B, the Firearms Advisory Committee. The purpose of the committee is to ensure that trends and issues impacting on the Act and its administration, including the concerns of persons who have a related interest in the Act, may be appropriately examined and considered. The committee will be chaired by the Minister for Police and will consist of the Commissioner of Police and representatives from the following areas and professions: Primary producers, firearms trade, general community, health profession and firearms users.

Clause 7(a) and (b) will amend sections 6(1) and 6(1a), which contain the grounds for prohibiting ammunition and firearms by providing the additional ground of "public interest"; for example, accelerator - imprint free - ammunition, while not being any more dangerous than other ammunition, is considered not in the public interest to be generally available as it prevents the ability to identify the firearm from which it has been discharged.

Clause 8(1)(e) will amend section 8(1)(g), which provides an exemption from requiring a licence by commercial carriers, currently referred to as common carriers, and warehousemen, by requiring those persons to be approved by the commissioner. The intent of this amendment is to ensure that access to firearms and ammunition is limited only to those persons working in those industries who are considered "fit and proper".

Clause 8(1)(g) will amend section 8(1)(i), which provides an exemption from requiring a licence by employees of primary producers when using their employers' firearms for the destruction of vermin, by extending the provision to incorporate the destruction of stock and, pursuant to clause 8(2), allows "family members" of the primary producer similarly to use such firearms with the primary producer's expressed authorisation.

Clause 10 will amend section 10, which relates to the minimum age for a person to hold a licence, by increasing the age from 16 years to 18 years. This will not, due to a saving provision, apply to those 16 and 17 year olds who currently hold a firearm licence.

Clause 11 will insert section 10A, which enables regulations to be made requiring firearm licence applicants to complete successfully a prescribed training course before being issued with a licence.

Currently a national working party is establishing the core components of the course that each jurisdiction will then implement taking into consideration local conditions. It is expected that the course will incorporate basic knowledge of firearm safety and firearm laws, and that in this State approved sporting shooters clubs will feature in conducting the training courses.

Clause 12 will, in section 11(2), which relates to persons to whom the commissioner shall not grant an approval or permit or issue a licence, provide that the commissioner may, when determining a person's suitability, specifically take into consideration whether a person has a history of or a tendency towards violent behaviour.

Clause 12 will, in section 11(4), enable the commissioner to require, in writing, an applicant to provide within 28 days such relevant information on which to determine satisfactorily an application. Failure to comply with the request within the period, or such further period as the commissioner may approve, will result in the application lapsing.

Clause 12 will, in section 11A, deem what is a "genuine reason" for acquiring or possessing a firearm or ammunition. An applicant will, before being granted an approval or permit, or being issued a licence, be required to satisfy a "genuine reason" test. Essentially applicants will have to demonstrate that they require a firearm or ammunition for one of the following reasons. The firearm or ammunition -

> is for use by the person as a member of an approved shooting club and the person is an active and financial member of the club;
>
> is for use by the person as a member of an approved organisation - for example, a police and citizens' youth club;
>
> is for use in hunting or shooting of a recreational nature on land the owner of which has given permission;
>
> is required by persons in the course of their occupation;
>
> forms part of a genuine firearm or ammunition collection;
>
> is for another approved purpose - for example, amateur theatre productions.

Acquiring a firearm or ammunition for personal protection, pursuant to this provision, is deemed not to be a genuine reason.

Clause 12 will, in section 11B, require applicants for certain types of firearms, in addition to satisfying the basic "genuine reason" test, also to satisfy a "genuine need" test. The new concept of "firearm categorisation" - that is, the classification of firearm types into alphabetical groups - will enable "genuine need" criteria to be prescribed in the regulations. For example, in schedule 3 of the draft amendment regulations -

> Category B: Applicants applying for a category B type firearm, such as a single or double barrel centre fire rifle, will be required to satisfy the commissioner that a category A type firearm, such as a single shot rim fire rifle, would be inadequate or unsuitable for the required purpose.
>
> Category C: Applicants applying for a category C type firearm, such as a self-loading rim fire rifle with a magazine capacity of no more than 10 rounds, and a self-loading or pump action shotgun with a magazine capacity of no more than five rounds, will be required to satisfy the commissioner that a category A or B type firearm would be inadequate or unsuitable for the purpose for which the firearm is required.

Additionally the regulations will prescribe specific restrictions on the eligibility of persons able to license category C and category D type firearms. For example -

> Category C: A category C type firearm will be able to be licensed only by the following classes of person and under the following conditions -
>
> Primary producers may, subject to satisfying the genuine reason test, license category C type firearms for the purpose of destroying vermin or stock.
>
> Where a primary producer would qualify to have a category C type firearm and is not licensed in respect of a firearm of that category, he may nominate to the commissioner another person in his place.
>
> In instances where the primary producer may either operate a very large property or operate properties which are widely separated, the primary producer may, in addition, nominate to the commissioner further persons to license category C type firearms to destroy vermin or diseased stock on his property or nearby.

Professional shooters may, subject to satisfying the genuine reason test, license category C type firearms for the purpose of destroying vermin or stock.

Active and financial members of approved shooting clubs may license category C type shotguns for the purposes of training for, and participating in, an approved national or international shooting discipline, such as clay target shooting competitions.

Category D: A category D type firearm - for example, a self-loading centre fire rifle, a self-loading or pump action shotgun with a magazine capacity of more than five rounds, a self-loading rim fire rifle with a magazine capacity of more than 10 rounds - will only be able to be licensed for State and Federal Government purposes.

Category H: There has been only minor change to the licensing requirements for handguns, previously referred to as pistols. A handgun will only be able to be licensed by the following classes of person and under the following conditions -

Active and financial members of approved shooting clubs requiring a handgun to train for, and participate in, a club, interclub, state, national or international shooting discipline.

For occupational needs.

For State and Federal Government purposes.

A person will not have a genuine reason to acquire or possess a category H type firearm for the purposes of hunting, recreational shooting - other than those associated with approved shooting club purposes - or destroying stock or vermin.

Clause 14 will amend section 15 by substituting the existing provisions relating to curio licences with a firearm collector's licence. Applicants for a licence, or holders of a licence wishing to have endorsed additional firearms, will now be required to demonstrate that the firearm has significant commemorative, historical, thematic, heirloom or sentimental value.

Similar to the requirements for an existing curio licence, a collector's licence authorises the licence holder only to possess but neither use nor carry the firearm. However, unlike the curio licence, which is issued for life, a collector's licence will attract an initial licence fee of $40 - the same as the existing curio licence - and will be renewed every five years at which time a further fee commensurate with that of a normal firearm licence, currently $22, will be charged. A saving provision will be applicable to transitional licences.

Clause 15(1)(d), (e) and (f) will amend section 16(1)(d), (e) and (f) to enable the holder of a dealer's licence, manufacturer's licence and repairer's licence and his or her employees to transport firearms and ammunition more easily in the ordinary course of business. The existing provisions that require the holder first to obtain a temporary permit have been repealed. Clause 15(1)(d)(i) will amend section 16(1)(d) by enabling the holder of a dealer's licence to receive firearms for the purposes of dismantling for parts, or to arrange repair or servicing by the holder of a repairer's licence.

Clause 15(1)(h) will enable persons to collect ammunition. A licence holder will be entitled lawfully to acquire, dispose of, possess and carry, but not use, all types of ammunition other than those types that are prohibited in regulation 26B of the draft amendment regulations. An ammunition collector's licence will attract an initial licence fee of $40 - the same as a firearm collector's licence - and will be renewed every five years, at which time a further fee commensurate with that of a normal firearm licence, currently $22, will be charged.

Clause 18(c) and (d) will, in section 18(6), require an applicant applying for an initial firearm licence to wait 28 days from the date of making the application before a licence may be issued. Should an applicant not proceed with the application within a further 28 days, the application will automatically lapse. The intent of the amendment is to ensure that an applicant has had sufficient time to consider the merits or otherwise of acquiring a firearm, and to prevent a firearm from being acquired on the spur of the moment. Clause 18(e) will in section 18(8) require the commissioner to inform a licence applicant in writing of the reasons for any restriction, limitation or condition imposed on his licence. The intent of this amendment is to ensure that the applicant is aware of the reasons for the imposition on his licence, and it complements the appeal process.

Clause 18(h) will enable, in section 18(13), the commissioner to require, in writing, persons connected with licences of a commercial kind - for example, corporate dealer's, manufacturer's and repairer's licences - within 28 days to provide information relating to the management of the business or premises. Failure to comply with the request in respect of a licence application may be a ground for refusal to issue an approval, licence or permit; or in relation to

an existing approval, licence or permit be a ground for revocation, but only after the holder has been given an opportunity to make a submission to the commissioner.

Clause 21(a) will amend section 20(1), which relates to the commissioner's ability to revoke an approval, licence or permit, by extending the provision to include the alternative option of "refusing to renew" a licence, as opposed to an immediate revocation. Additionally, the following further grounds for refusing to renew and revocation have been provided -

> The person would not, because of section 11 - genuine reason or genuine need - then be able to qualify for an approval, licence or permit. For example, the provision of this section may be used to revoke a licence for a category C or D type firearm, should the holder be unable to meet the new genuine need test.
>
> The licence or permit was issued, or approval was given, incorrectly due to an administrative or procedural error. For example, this provision may be used to revoke a licence in respect of a specific firearm, such as a handgun being inadvertently licensed contrary to the commissioner's licensing delegation.
>
> In the public interest. For example, this provision may be used to revoke a licence when the holder is unable to adequately restrict access to a firearm, such as a holder who resides with persons who have been convicted of armed robbery offences.

Clause 21(b) will, in section 20(1)(a), enable the commissioner, in writing, to request a person within 28 days to either produce relevant information on which to satisfactorily determine whether the person continues to be a fit and proper person to hold an approval, licence or permit, or make a submission showing cause why the power of revocation should not be exercised. Failure to produce the information or make a submission within the period, or such further period as the commissioner may approve, may result in the approval, licence or permit being revoked.

Clause 23 will, in section 21A, ensure that the businesses conducted under a dealer's, repairer's and manufacturer's licence are managed correctly, and are at all times accountable by providing that -

> Licence holders will always be responsible for the conduct of their business;
>
> licence holders will personally supervise and manage each premises, or may appoint an agent or employee for that purpose. An agent or employee who breaches the Act, or contravenes any condition, limitation or restriction imposed on the licence, will be liable to the extent that the holder would be liable; and
>
> depending on the circumstances, either the licence holders, their agent or their employee may be charged individually, or two or more may be charged, in respect of the same offence.

Clause 23 will, in section 21B, ensure that a corporate body or a partnership that holds a dealer's, repairer's or manufacturer's licence will be accountable, by providing that if an offence is committed with the consent or connivance of, or is attributable to any failure to take all reasonable measures, any officer or other person concerned in the management as well as the body corporate is liable and deemed to have committed the offence.

Clause 24 will, in section 22, establish the Firearms Appeals Tribunal. Persons aggrieved by a decision of the commissioner will now be able to choose whether to have the matter reviewed by a court, as is currently the case, or the tribunal. However, an appeal to either the tribunal or the court will extinguish any right of appeal to the other. The tribunal is intended to provide appellants with an alternative that is less costly and less formal, and may deal with matters more expeditiously. The Chief Stipendiary Magistrate may constitute one or more tribunals that will be able to sit throughout the State. A tribunal will be chaired by a magistrate, who will be assisted by a person selected from a panel nominated by the commissioner and a person selected from a panel nominated by the Minister for Police, who in the opinion of the Minister has an occupational, recreational or sporting involvement or expertise with firearms or ammunition. The tribunal in determining an appeal may inform itself on any matter in such a manner as it thinks fit, and according to the substantial merits of each case without regard to technicalities or legal form or precedent.

An appellant appearing before the tribunal may appear either alone or with an advocate, or be represented by an agent. However, a person acting as an advocate or agent can neither be a legal practitioner, nor demand or receive any fee or reward. Appeals to the tribunal will attract a fee. However, the tribunal may, where the appeal is upheld, make an order for the payment by the commissioner of expenses reasonably incurred by the appellant.

Clause 25(a) and (b) will amend the provisions in section 23(1) and (2) that relate to possession of a firearm while under the influence of alcohol and/or drugs by substituting the words "intoxicated or excited by reason of being under the influence of alcohol or drugs" with the word "affected". The current provision has been criticised by the judiciary as being difficult to apply, especially when interpreting the word "excited". Although the current and proposed provisions are by their nature subjective, it is intended that "affected" will be interpreted as meaning that the consumption or ingestion of alcohol and/or drugs has contributed towards that person being less responsible in his

actions towards, and the safe handling of, firearms and ammunition. It is interesting to note that during the 1995-96 financial year, police preferred 16 charges involving persons in possession of a firearm while being affected by alcohol and/or drugs. In the majority of cases police attention was drawn to the offenders as the result of their threatening or antisocial behaviour or other offences being committed.

Clause 25(g)(iii) will, in section 23(9), delete the word "knowingly". This and other offence provisions have had the word "knowingly" deleted to refocus the responsibility on the person for doing or omitting to do an act. It has been confirmed by legal advice obtained from the Crown Solicitor's Office that section 23 of the Criminal Code offers adequate protection for persons from being prosecuted in instances when a breach of the Act or regulations results from an act or omission that occurs independently of that person's will, or for an event that occurs by accident. Under that section, an act occurs by accident if it is not intended, not foreseen and not reasonably foreseeable.

Clause 25(g)(v) will, in section 23(9)(d), require a person who is responsible for the storage of a firearm and ammunition to store the firearm and ammunition in accordance with requirements prescribed in regulation 11A of the draft amendment regulations. The requirements provide, among other things, that -

> Firearms and ammunition are to be stored in a metal and lockable cabinet or container that at least meets the specifications described in schedule 4 of the draft amendment regulations. However, where people are able to satisfy the commissioner that they have a suitable alternative storage arrangement, the commissioner may approve of that arrangement. For example, the commissioner, under certain circumstances, may decide that in respect of certain types of firearms such as air rifles, single shot .22 calibre rifles and single shot shotguns, an approved locking device may be suitable. This provision will also enable the commissioner to approve suitable existing storage cabinets that have already been installed by many very responsible firearm licensees, but which may not quite meet the new standards.
>
> A magazine is not to contain any ammunition when stored.
>
> Ammunition is not to be stored in a cabinet or container in which a firearm is stored, unless the ammunition is in another locked metal container that is securely affixed so as to prevent its easy removal.

To determine how a licence applicant intends to comply with the storage requirements, and what facilities an existing licence holder has, the person may be required, pursuant to regulation 11C of the draft amendment regulations, to supply the commissioner with a statutory declaration as prescribed in form 17A of the draft amendment regulations. Where a person fails to comply with any of the storage requirements, including the tendering of the declaration, the commissioner may, pursuant to clause 12, in respect of an applicant, refuse to issue a licence or, if the person is an existing licence holder, pursuant to clause 21(a)(iii) either not renew or revoke the licence. A person who refuses to permit a police officer to inspect the storage facilities, after having been given reasonable time in writing, will pursuant to clause 25(g)(v) commit an offence for which the maximum penalty is $1 000.

Clause 26 will insert section 23B, which provides a protection to medical practitioners from any criminal or civil action or remedy, should they supply the commissioner with details of a patient who is either unsuitable to have access to a firearm or ammunition, or is seeking or has sought medical assistance for a firearm or ammunition related injury. It does not, however, compel the medical practitioners to so act.

Clause 27(d) will, in section 24(7), enable a police officer to enter premises without a search warrant when the officer is reasonably of the opinion that there is an immediate threat of harm being suffered by a person and the delay in first obtaining a warrant would be likely to increase the risk or extent of such harm. To ensure that adequate checks and balances exist and are complied with, provision has been made requiring an officer who has exercised this power to submit to the commissioner a written report. The procedures to be followed by the officer, and the officer in charge of the firearms branch, are prescribed in regulation 22A of the draft amendment regulations, which, among other things, requires the -

> officer to notify the officer in charge, firearms branch, as soon as practicable, in order that the relevant computer records can be adjusted to prevent the person from immediately applying for another firearm;
>
> officer to submit the report within seven days of exercising the power;
>
> report to detail the circumstances leading to the exercise of the powers; the grounds on which it was suspected that any firearm or ammunition might be found; the need to act speedily; why a warrant could not have been obtained and, where applicable, the fitness of the person to hold an approval, licence or permit.
>
> officer in charge, firearms branch, unless a prosecution has been commenced, within 21 days, either to revoke the approval, licence or permit; commence proceedings under the Act requiring the person to dispose of the firearm or return the firearm to the person from whom it was seized or other person lawfully entitled to possess it.

Clause 28 will, in section 26, which relates to search warrants, extend the grounds under which a warrant may be issued, to include an offence under any written law involving a firearm, ammunition, silencer or other contrivance. The provisions will also be extended to authorise the seizure of any document or other thing connected with the offence. To complement the police powers contained in section 24(2), a justice may further issue a search warrant, for the purpose of entering a premises, where there are reasonable grounds to suspect that a firearm or ammunition may be in the possession of a person and that such possession may result in harm being suffered by any person or that the person is not at the time "fit and proper".

Clause 29 will, in section 28, extend the power of a court, upon convicting a person, to order the forfeiture of any firearm and ammunition, including any silencer. It also extends the application of this provision to convictions under any written law, where an element of the offence was the possession or use of a firearm, ammunition or silencer.

Clause 32 will insert sections 30A(1) and (2), which provide a requirement for a person who advertises a firearm for sale to ensure that the advertisement includes details of the firearm's type, make, serial number and calibre. In the case of a firearm dealer or manufacturer, the holder will be required to advertise only their licence number and sufficient details to identify the holder, for example, the business name. The intent of the amendment is to enable the police to identify more easily the sale of unlicensed firearms. Failure to comply may result in a maximum penalty of $1 000.

Clause 32 will insert section 30A(3), which requires a person who sends a firearm by post to a destination outside this State, to address the firearm to the premises at which the business of a dealer may lawfully be carried on and, should ammunition also be sent, that it not be packaged with the firearm. Failure to comply may result in a maximum penalty of $1 000.

Clause 32 will insert section 30B(1), which requires any person lawfully entitled to possess a firearm or ammunition to report to the commissioner as soon as is practicable the loss of a firearm or ammunition, and the destruction of a firearm. Failure to comply may result in a maximum penalty of $1 000.

Clause 32 will insert section 30B(2), which requires a person who is entitled to possess a firearm under the Act and who disposes of it either in a place or to a destination outside this State to report to the commissioner as soon as is practicable the details of the disposal, including the particulars of the firearm, the manner and date of the disposal, the details of the person to whom it was disposed and that person's licence details. Failure to comply may result in a maximum penalty of $1 000.

Clause 36(1)(a) will insert section 34(2)(g), which reflects an APMC resolution and will enable regulations to be made restricting the quantity of ammunition that a person may possess. However, in light of the varying needs of different firearm user groups across Western Australia and the difficulties being experienced by other jurisdictions in implementing limitations, it is not intended at this time to impose any limitation.

Clause 36(1)(b) will insert section 34(2)(ga), which reflects an APMC resolution and enables regulations to be made regulating the sending or conveyance of firearms or ammunition. This provision will complement those other requirements that place an obligation on persons who transport or dispose of a firearm or ammunition.

Clause 40 will insert section 22A, which enables the commissioner to issue an extract of licence to licence holders and other persons authorised under the Act to possess firearms and ammunition. This amendment has resulted from the need to increase the integrity of licences in respect of the identification of the holder and to produce a more durable form of licence. Further, the APMC resolution relating to mandatory photographic identification will be reflected in this provision. The extract of licence will be in a form similar to that of a motor driver’s licence and, among other things, will contain the holder’s name, photograph and certain licensing particulars. Initially the extract will be issued to new and existing licence holders who will, pursuant to regulation 7A of the draft amendment regulations, be required to attend at a nominated facility, or where due to circumstances that will present unreasonable difficulty for people in complying with the request - for example, excessive distance - they may provide their own photographs in accordance with the commissioner’s specifications.

To ensure the integrity of a person’s identification, regulation 7B of the draft amendment regulations requires the person to provide evidence of identity in a manner approved by the commissioner. It is intended that a 100-point check system, similar to that required when obtaining a passport or opening a bank account, be utilised for this purpose. Where a person fails to comply with the photograph requirements, the commissioner may, pursuant to clause 12, in respect of an applicant refuse to issue a licence or, if the person is an existing licence holder, either not renew or revoke the licence, pursuant to clause 21(a)(iii).

A person to whom an extract has been issued will, if in possession of a firearm or ammunition, be required to produce the extract to a police officer or a person from whom the holder is seeking to obtain services in relation to that firearm

or ammunition. Failure to produce the extract on demand may result in a maximum penalty of $1 000. Similarly a holder may upon request by a firearm dealer, be required to produce the extract when purchasing ammunition.

Clause 48 will amend existing provisions relating to indictable offences by enabling the prosecution to request the Court of Petty Sessions to deal with the charge summarily. Where the court considers it can adequately deal with the matter, having regard to, among other things, the nature and particulars of the offence and antecedents of that person, the court may deal with the matter, rather than refer it to a higher court, and where the charge is proved, impose the applicable summary penalty.

Penalties: To ensure the penalty provisions more adequately provide a deterrent and reflect community expectations, both the maximum monetary penalties and terms of imprisonment have been increased substantially. For example, section 19, among other things, provides the offence of unlawfully selling, possessing or otherwise coming into possession of, any firearm or ammunition. Pursuant to clause 46(a) the current maximum penalty of $300 will be increased to $2 000. When the firearm concerned has had numbers or identification marks either defaced or removed, has been altered from the design or characteristics of its original manufacture, or is a hand gun - all of the above are inclusions to the Bill pursuant to clause 25(d) and (e) - the maximum penalty will be imprisonment for 18 months and/or a fine of $6 000.

Section 19(4) provides the indictable offence of unlicensed dealing in, repairing or manufacturing firearms. Pursuant to clause 46(c) the current maximum penalty will be increased from, upon indictment, imprisonment for three years to five years; and summary conviction, imprisonment for 12 months and/or $500 to 18 months or a fine of $6 000. Section 23(9a) provides the offence of discharging a firearm to the danger of, or in a manner to cause fear to, the public or any person. Pursuant to clause 49(5) the current maximum penalty of imprisonment for six months and/or a fine of $800 will be increased to two years or a fine of $8 000.

In view of the complexity of this legislative package, to assist members in understanding the amendments, it is my intention to follow the slightly unusual course of action of making the following documents available: First, a consolidated copy of the Act - the consolidation incorporates those amendments originally contained in the Bill, but does not contain the subsequent amendments made in the other place; and, second, a copy of the draft amendment regulations. The draft does not represent the final document and it is subject to further refinement. However, it does give members a very clear indication of the key areas of the overall amendment package. I commend the Bill to the House.

Debate adjourned, on motion by Hon Bob Thomas.

COMPETITION POLICY REFORM (WESTERN AUSTRALIA) BILL

Second Reading

Resumed from 3 September.

HON KIM CHANCE (Agricultural - Leader of the Opposition) [10.57 pm]: The Opposition is pleased to support this Bill. Although it is not physically complex, in order to determine the manner in which to go through the Bill to predict how the legislation and other components will impact on the economy, one must bring to bear a huge number of variables. That makes this a most interesting Bill. There are circumstances in which I could not possibly imagine myself supporting any legislation flowing from Hilmer, because I have not been an advocate of people's perception of Hilmer's report. In spite of that, almost everyone will agree with the broad vision presented by Hilmer when his report was first released. It has changed remarkably little, given the discussion that has taken place since that report was issued. There are changes, some of which are significant but not fundamental. The legislation before the House is as true to the original view of the Hilmer principles as one could reasonably hope for. I have with me a document which dates back to the original Hilmer report, but unfortunately it has no face page. I understand it is a report of a federal parliamentary committee which first analysed the Hilmer report. It was interesting going through that - I did that mostly yesterday but I had done it over a number of weeks - and comparing the outcome of that report and some of its recommendations with what we have before us. It helped to bring the difference between the two into sharp focus. However, I was left with the overwhelming impression that there was a natural consistency and flow about the transition from what was fundamentally an idea into black and white law. At this stage it is appropriate that I acknowledge and express the gratitude of the Opposition for the briefing which the Government made available to it yesterday afternoon. We were given a briefing by officers of the Treasury Department and the Ministry of Fair Trading which helped us through a number of issues and gave us some depth of understanding to try to resolve some of the issues which came up in my mind and also I know in the mind of Hon John Halden. We were able to forecast to the officers the nature of the questions that would arise in the second reading stage so that the Minister could be briefed on those issues.

When this Bill was debated in the other House, the Opposition's view was led by the then deputy leader, Hon Geoff Gallop. I was impressed by the first words he used. He referred to the fact that there had been many battlegrounds in Australian political history, but that the issue contained in this legislation was one of the most interesting battlegrounds. The stand off between the free traders and the regulators was the basis of early Australian politics. The first political parties in Australia did not carry the banners of organised capital or organised labour; they carried the banners of free trade and protectionism. However, it would be a mistake to imagine that there is not a degree of carryover, although those lines have been blurred. Anybody who goes back to the debates which occurred in their party rooms on this issue will have a good idea of how blurred the lines are, judged by current Australian politics.

There are two classical camps in this battlefield. One camp is made up of those people who seek to control or at least to modify the free play of the market. The other camp is that which advocates a non-interventionist line in the economy which is based on the theory that efficiencies result from an uninhibited allocation of resources which results from the application of market forces. Both camps are no longer necessarily defined in the present party political structure. In spite of that, it is too easy to say that this initiative has bipartisan support, because bipartisan support has to be first one within the parties of today, rather than across the benches. I am sure that, in spite of the apparent broad support for this legislation, we have all had our little battles trying to win a point one way or the other long before this legislation got here.

Along with the leader of the National Party in this place, I place myself fairly and squarely with the interventionists in those two positions I have just put to the House. The Australian Labor Party's position on economic intervention in the very early 1970s was one of the reasons that led me to join the Australian Labor Party in the first place. The other, as a matter of interest, was our position then and now on capital punishment, which was very different from that of the conservative parties.

Hon B.K. Donaldson: I thought it had something to do with livestock.

Hon KIM CHANCE: It had nothing to do with livestock. Some time later it did. I seem to remember the occasion the member is talking about happened on 14 April 1977. However, it is not a date that sticks in my mind!

In that context, it is a strange position in which I find myself. In spite of the fact that, as the lead speaker for the Opposition in support of a coalition government Bill which owes its origins to a Federal Labor Government initiative and can only be described as having an anti-interventionist effect - at least that is the way it is frequently presented - and in spite of the somewhat strange position in which I find myself, I asked to be the lead speaker on this Bill some time ago, simply because I thought that if we were going to put an effective argument with which I could be comfortable, I wanted to set the terms of the argument and explain why I was prepared to support it. However, one of the last reasons that I would have considered supporting this legislation is that it had its origins in the federal parliamentary Labor Party some years ago, because as I said, there are divisions within the party, and the economic line of the last Labor Government is not one that I have a great deal in common with. I am not saying that it was wrong, but I do not have a lot in common with it.

While the modern history of the Australian Labor Party has been until the last decade or so one that I could describe as interventionist, it is also true to say that the party has long supported the concept of effective anti-trust laws. As far as I am aware, that has been the Australian Labor Party's position for 25 years; it could even be longer than that. It is fair to say that this Bill is a powerful anti-trust mechanism. One could describe it in a number of ways. However, ultimately it seeks to break down the impact of trusts and monopolies even when those monopolies are owned by the people - when they are public monopolies. To that extent, if one goes into one little segment of the legislation - that is, the concept dealing with competitive neutrality - it is fair to say that there are times when the public sector and the private sector compete that the public sector has unfair advantages. We need to understand what are those unfair competitive advantages if that market is to operate effectively, assuming that we have already made the decision that it is desirable to have the private sector operating alongside the public sector. One market that springs to mind quickly is hospitals. Long before the present coalition Government introduced more private involvement in the hospital system, Western Australia had, right up until 1992, the highest level of involvement in the hospital sector by the private sector in Australia. It was running at something like 30 per cent in 1992. Obviously, we were all comfortable with that. However, it raises the issue of just how we will balance the market between those two. It was one issue which was missed by a report on a study commissioned by the Minister for Primary Industry in Western Australia - within a narrow segment of the effect of this legislation - and carried out by Parker and Parker and tabled in the Legislative Assembly in April this year. While Parker and Parker's brief was to concentrate on the statutory marketing authorities, it missed a point which I will come back to later. It did not contemplate what would be the effect on those areas which it described as traditionally provided by the public sector and which have for many years in this State been a market occupied by both the public and private sectors. That is certainly true in the hospital area.

Perhaps it is a rationalisation on my part, but my vision of anti-trust laws is that they are a form of intervention. It might be popular these days to think of anti-trust equating with competitive neutrality and competition in the market and, ipso facto, a free market tool. If members go back to the origin of anti-trust laws they will find they were a means of intervention in the market and one which I am quite happy to accept. Above all else, anti-trust laws serve to protect people from the predations of monopolies and cartels. They intervene to break up harmful abuses of the free market which have been evident in every instance that a laissez faire approach has been the basis of a nation's economic policy. Although there are hundreds of examples, the best one is found in eighteenth century Britain when it was demonstrated that what was a so-called free market was, in fact, no more than an invitation to organised capital to exploit its economic power at the expense of any other group which had less economic power. It was that very exploitation that led to the formation of organised labour in Britain during the industrial revolution. Labour was faced with no choice other than to organise to enable it to countervail the effect of organised capital.

When one looks at the free market in its most fundamental form - it was in a fundamental form in Britain in the eighteenth century - the free market is a myth because the very existence of an uncontrolled marketplace actually creates a power vacuum. Commerce, rather like nature, abhors a vacuum. Something will always move into its place to fill it. The vacuum is filled by anyone who has sufficient economic power or organised ability to take control of the economy for his own purposes rather than for any concept of the common good. As soon as that happens, the political imperative will always be to eventually seek to redress the situation either by revolution or by regulation. One could describe the emergence of organised labour in the eighteenth century in Britain as a revolution; but, in one way or another, something will always arise to redress the situation. In either case - revolution or regulation - the wheel will have simply completed another cycle. The stage which Australia has reached is an important point in that cycle.

The alternative is to attempt to strike a balance between the obvious efficiencies in the marketplace and allow a degree of adjustment to, and checks on, the system which would modify the more predatory outcomes which arise from an uncontrolled market. My interest in the free market and controlled market theories comes from a practical experience of both forms of market and a sense of history of the attempts which have been made in Western Australia and Australia to rationalise the marketing of agricultural commodities.

Arguably, the most successful example of market intervention in Australia is the Australian Wheat Board. Prior to World War II, and particularly noticeable in the Depression years of the 1930s and even into the late 1920s, Australian wheat growers were exposed to a form of market exploitation which has had few parallels at any time in international history. Arising out of those predations was a virtually bankrupt wheatbelt by the time the Second World War began. It was not until the beginning of the Second World War that the wheatbelt began to emerge from the Depression which, for it, started in 1929.

During the Second World War, as a result of war time regulations, the Australian wheat crop was acquired by the Australian Government and that was in common with a number of other commodities. It was done for no marketing reasons but simply to maintain control over the economy so that shipping could be organised and the usual constraints could be applied to a world war economy. It was not until after the Second World War that wheat growers and the then Chifley Labor Government actually reached an agreement and the first Wheat Marketing Act was proclaimed, I think in 1947. The realisation by wheat growers was that what had been offered as a result of the war time regulations was something that could be extended into the post war period and would finally give them control over their own industry. Although there has been some deregulation since 1947, the fundamental principles of the Australian Wheat Board's operations and the concept of that board remain in place.

The reason for the success of the Australian Wheat Board and the strong support it has from wheat growers is simply that wheat growers felt a need to end a system which was exploiting them. They were suffering intolerable burdens from the creation of the free market and, along with the Labor Party of the day, they organised a powerful single trading block which was capable of competing with the huge private sector grain cartels which still dominate the international grain market, which is generally acknowledged to be the most corrupt market on earth. In that sense, the Australian wheat growers, from the 1930s until now, were driven by circumstances which are a little different from those which spawned the British labour movement almost two centuries earlier. My reason for raising that is that there is a feeling that this legislation and the principles espoused by Hilmer are a challenge to that form of organisation. Agricultural marketing systems and any form of product control - we tend to almost always think of that in terms of agricultural products - depend on the power to legislate to acquire the product in the first place. Once there is ownership, the rest of the market is simplified from that point.

During my childhood in the eastern wheatbelt in the post war period I was never allowed to forget what the free market had done to my community. I was left in no doubt about the evils of the cartels that had then as they have now their head offices in Chicago and Paris. The obverse was that I was inspired by the militant, left leaning wheat growers' union and the things it did to assist farmers in times of stress, particularly in relation to action against the

bank. However, it was the wheat growers' union in the main which led the fight against the commercial agents in the wheatbelt and which tried to lock some form of control of the Australian wheat industry in wheat growers' hands.

I referred to the wheat growers' union as a left leaning organisation, and it most certainly was. However, in the 1950s there were still remnants of what had been a very influential Communist Party in the area. The history of that time shows that many of the union leaders were the Communist Party leaders in that part of the world. Of course, the 1950s was the era of McCarthyism and none of us remained entirely immune. However, against that background, these communists and ex-communists who had been the leaders of the wheat growers' union were still revered in the community. A close relation of mine was one of those people. I was extremely fond of my uncle, but he was a communist. It was then that I first discovered that one could not believe everything on the radio and in the newspapers, because we were told every day that communists ate babies. My uncle was the most kind, gentle and sincere man I have known. That certainly influenced my view of the world. Some of the history of that period is contained in the book *A fine country to starve in*, which is well worth reading.

The model of the Australian Wheat Board, which is essentially a grower-controlled marketing bloc endowed with monopoly powers enshrined in Statute, was duplicated in various forms and sadly with variable success across most of the range of agricultural produce in the post war period. In numerous cases, and none more spectacular than the Australian Wool Corporation, the model has been dumped or gutted in favour of a return to free market systems. In my 27 years as a primary producer, I have been involved in a whole range of industries that were regulated at one end of the scale and unregulated at the other end. During that time, I never had cause to regret the concept of regulation, which I always viewed as a valuable heritage from my father's generation. In a small way, I contributed to the extension of regulated marketing in the lamb industry. However, in latter years, and with a great deal of sadness, I witnessed the decline from favour of statutory systems in favour of the free market. I feel more than somewhat uneasy about that trend.

A trend away from regulation of marketing systems is popular, and I recognise the changing climate of public opinion. However, I still have not seen, and I have no reason ever to expect to see, any evidence that the fundamental reasons for the creation of regulated systems have ceased to exist. If that is the case, it seems that we have condemned ourselves to endure again the pain that unfettered market forces can cause. I referred earlier to a cycle and I am depressed that we are committing ourselves to the continued rotation of that cycle. It is apparent to me that unless we are to commit ourselves blindly to an endless cycle of boom and bust, of regulation and deregulation, we must achieve some kind of balance between the efficiencies of the market system and the need to manage that system in the public interest.

Hon B.K. Donaldson: Do you see the rationale for identifying a public benefit before making those changes?

Hon KIM CHANCE: Yes. In fact, my next words are that this Bill is a credible attempt to strike that balance. I sincerely believe that, because I have had to think long and hard about where I stand in relation to this Bill.

I will not deal with the issues already adequately covered in the Minister's second reading speech. Although it was fairly brief, it contained most of what people need to know about the structure of the systems established by the Bill. However, it is necessary at this stage to define the basic elements of competition policy. In this case I am not referring to the Bill but, rather, to the Hilmer report, or at least the report of a committee of the Federal Parliament. That report outlines the six fundamental elements of competition policy as follows: To limit anti-competitive conduct of firms; to reform regulation that unjustifiably restricts competition; to reform the structure of public monopolies to facilitate competition; to provide third party access to certain facilities that are essential for competition - for example, common carrier arrangements on a publicly owned gas pipeline or powerline; and to restrain monopoly pricing behaviour and foster competitive neutrality between government and private businesses when they compete. Part of that has been adopted in this legislation and other parts have been added.

Like all reformers, proponents of this aspect of the Hilmer reforms might have over sold the potential benefits in their enthusiasm to impress us with the bounty that travels hand in hand with competition policy. For example, the Industry Commission's analysis of the potential benefits of the implementation of the principles was that there would be an increase in the gross domestic product of about 5.5 per cent. The commission extrapolated that amount to an annual boost to the economy of $23b. We have had this $23b figure thrown at us ad nauseam, more particularly by the previous Federal Government. In my view, $23b or 5.5 per cent of GDP, however one expresses it, is fairyland stuff and no-one seriously believes it. At the same time, it is hard to deny that some real benefits are available to the economy as a result of the adoption of these principles.

Some of the consequences of the implementation of the principles are nothing short of ludicrous. The application of the taxation equivalent regime to a regional port, thus creating a need to refund the amount that has been taxed to that port authority through division 47 of the Budget, is silly. I do not think anyone could reasonably argue that it is not a silly outcome to tax on the one hand, under one set of principles, and to then, for another reason, turn around

exactly the same amount of money through a community service obligation, put it back through the miscellaneous division 47 portion of the Budget, and refund the same amount of money. That is not the only silly outcome. One of the things that really bothers me is why on earth we would want to insist, for example, that the Ports of Esperance and Geraldton must have two competing stevedoring companies, when everybody knows that only one can make a profit. The legislation will allow us to sort out that matter in our own time, but there are silly outcomes, and we need to be a bit mature about how we deal with the legislation. While the proponents of the principles might have tended to oversell the situation, it is also fair to say that Hilmer's detractors have also attributed negative aspects to the policy. They have not just exaggerated the negatives. In some cases, they have attributed negatives that do not exist.

The debate on the principles contained in this Bill will be good for Australia, and if things are said on one side or the other that do not stand hard analysis, that is not a major problem. I hope we will be able to use the principles to everyone's advantage. While the second reading speech provided a fairly useful outline of the structures that will be put in place once the Act is operational, and while it also gave some insight into the culture and policy of the Bill, it might be helpful if, rather than restate those impressions, I gave an example of a specific, if hypothetical, case in which the principles could operate. I had intended to go back to a document and quote a specific case. I do not think that is necessary, on reflection, because I am more concerned now with how we will deal with the situation where private hospitals and public hospitals compete against each other, and the example that I had intended to give would not be at all helpful in that regard, so I will move on.

One aspect of the debate that has particularly disturbed me arises from either a fundamental misunderstanding of the principles or a more sinister motivation. The potential outcome of the applications has, for one reason or another, on occasions been misrepresented. I think we have all heard statements about the need to do certain things now because those things will be forced upon us "by the feds" once the Hilmer principles are adopted. If I have had any real difficulty at all in my electorate and throughout Western Australia generally, it has been trying to convince people that they should not be frightened of Hilmer and that these principles are not a bogeyman lurking in the wings that will come to get them at some time in the future.

I had hoped that although the matter might be confused somewhat by the mists of misrepresentation, everyone could have seen through those mists and seen the fundamental truth of what Hilmer was trying to say. Unfortunately, that mist got a bit thick at times and people lost track of what the principles were about. The difficulty that I have with the theory that the feds will force this upon us is that in most cases, and generally speaking, it is just not true. I have had to ask myself on a number of occasions whether another agenda was being pursued that had more to do with concealing an existing deregulation policy than it had to do with a valid presentation of the facts of the application of competition policy.

Nowhere is that difficulty more evident than in the mechanisms that we use to market primary produce through statutory authorities, particularly where those authorities have a monopoly or exclusive power of acquisition. One basis of the argument that such authorities will lose their legislative powers post Hilmer seems to be the assumption that the principles and, indeed, the legislation, do not contain public interest provisions that can modify the absolute lack of market forces. I will turn to that in a moment. The principles tended to be presented as an enforcement of the pure free market, which basically is not what they are.

The other basis for the scaremongering I have heard is that even more spurious notion that the competition principles will be foisted upon a cowering Western Australian public by forces of evil in Canberra loosely described as "the feds". Apart from the fact that the very existence of the Bill is evidence that the State of Western Australia is firmly in control of the Hilmer principles, the notion that this is being imposed upon us is absolutely absurd. We either accept the principles or we reject the principles. It really is no more complex or sinister than that. The decision to proceed with or abandon the concept is in our hands alone. At the same time, from today onwards none of us can duck responsibility for what we will do with this Bill.

I return now to the first point I made, which dealt with the public interest provisions in the context of exemptions. In clause 13 of the Bill, the Crown and its agencies, such as Western Power or a statutory marketing authority, are bound by the code which is contained within the Bill whenever they conduct what is termed in the legislation as "a business", but we find in clause 15 that a number of activities fall outside the definition of a business. One of the comments that is made in the Parker and Parker report is that the Bill's definition of "a business" is a little obscure. I did not find that. I thought the definition was clear enough and Parker and Parker did not really explain why it thought it was unclear; nonetheless, we have those two clear, separate applications of whether it is a business or it is not a business when it is carried out by a public authority. Those activities which are defined as not being "a business" in the legislation include the imposition and the collection of taxes, levies and fees for licences, for example, but significantly they also include that legislative power which is the cornerstone of the statutory marketing authorities; namely, the power to acquire agricultural commodities, provided that the acquisition is a requirement of legislation or regulation.

The provision is to protect people who are competing with a statutory authority which does not have legislative powers of acquisition but instead chooses to acquire - and I mean acquire in the normal commercial sense of buying. Possibly the Meat Marketing Corporation is an example where an authority has the capacity to choose to buy or not to buy in a market - hogget, for example - and does not have that protection under the Act for operating as a business or not operating as a business, if it chooses to buy but does not have compulsory acquisition powers. If it chooses to trade in a particular area without the power of compulsory acquisition it is legitimately described as operating a business. There is no reason to suggest that the Meat Marketing Corporation in exercising that option should have any competitive advantage over any other meat trader that chooses also to operate in that market. Therefore, where there is a power of acquisition there is an exemption from the conditions of the legislation. Where there is no such power - where the corporation chooses to compete - it is bound by the code. On the face of it, that provision protects the State's ability to determine its future in regard to its power to legislate for and to continue with its existing statutory marketing authorities, at least in regard to those which involve the power of compulsory acquisition.

At this point I ask the first specific question of the Minister, which I hope he will be able to respond to in his summing up. Is it the Government's intention that the statutory acquisition powers of statutory marketing authorities will remain quarantined from the effect of the code as an outcome of section 15D of the Act, or is this viewed as a transition provision which will ultimately be demolished? It is an extremely important question because I have some doubt about exactly what is the Government's policy on that issue. Section 15D provides me with a considerable amount of confidence that we do have control, but when I return to the original Hilmer report - I grant there are differences in the policies between the two - it appears that it was not the view of the federal parliamentary committee that it would continue. The relevant paragraph at page xxv reads -

> In the Committee's view, the current exemption mechanism in the Act permitting State and Territory Acts to specifically authorise conduct that would otherwise contravene the Act is inappropriate. It discourages the development of nationally - consistent rules and is not readily transparent. No future exemptions of this kind should be permitted, and all existing exemptions should be deemed to expire at the end of three years.

That is enough to send a chill up the spine of any whole milk producer. I want to be clear so that people do not misunderstand: I do not suggest this is government policy, but it was a view expressed in the national Parliament. If it were government policy to be incorporated in the operation of this Act, in three years we could say goodbye to market quotas. It is on the question of market quotas that I have spent more time than on any other industry, although the first time the Hilmer effect was raised with me related to the barley and lupin industries and the acquisition powers of the Grain Pool. It later became clear that although grain growers had some concerns, the people who were seriously affected by this, and are being affected at this moment, were the whole milk producers. They are affected at this moment because their contract, which is termed a whole milk quota, is with a dairy to deliver a certain amount of milk over a year, and has a capital value. There is a market in which whole milk quotas are traded. The licence - rather like a fishing licence - has assumed a value of its own, and I suspect a property right of its own. I say "suspect", because there is some argument about the law on that question.

I was concerned not so much that there was a direct threat from Hilmer, because I was satisfied from my inquiries to the then federal Minister for Primary Industry and Energy, Senator Bob Collins, that the State would determine its own rules post-Hilmer with regard to marketing arrangements for any commodity, including whole milk, but that other people did not seem to have that message. This year I attended the WA Farmers Federation dairy conference in Busselton. I heard speaker after speaker, including some who should have known much better - I will not name them, but they were equally guilty - not correct the impression that quotas were not under threat. They described in some detail the systems that the whole milk industry would have to pick up when quotas were abandoned - not even if, but when. No-one was telling the whole milk producers, who have very considerable investments in the capital value of their licences, that they were under any threat from Hilmer. That really bothered me, because I knew it was not a fact. I was not in a position to stand up and say that it was not a fact, because all I had was one letter from the federal Minister for Primary Industry and Energy. Some time earlier, I had made the letter available to a few people in the dairy industry who knew I had it and had asked for a copy of it.

On the same day, the Minister for Primary Industry, Hon Monty House, addressed the dairy conference. He did not end the speculation either. The valuable contribution he made was to advise that in April he had obtained a report that he had commissioned from Parker and Parker on every statutory marketing authority which fell within the portfolio area of the Minister for Primary Industry. As soon as he made the comment I left the room and drove back rapidly to Perth to obtain a copy of the report from the Legislative Assembly's bills and papers office. I went through the report that night, because I wanted to satisfy myself that the view I had of the Hilmer effect on statutory marketing authorities and the view imparted to me by Senator Bob Collins were correct.

When I examined the Parker and Parker report I began with the section dealing with the Dairy Industry Authority, which is the regulatory body in the dairy industry. I was happy, even though some latitude was left there, that Parker

and Parker had come to very much the same view as I had about the future of the marketing powers held by the Dairy Industry Authority. I will cover what I think is a very important point and which was brought out in the Parker and Parker report. At page 3 of the section dealing with the Dairy Industry Authority, and the requirement for a review of legislation, it reads -

> The Competition Principles Agreement provides that legislation should not restrict competition unless it can be demonstrated that:
>
> . the benefits of the restriction to the community as a whole outweigh the costs; and
>
> . the objectives of the legislation can only be achieved by restricting competition.
>
> Each State is free to determine its own agenda for the reform of legislation that restricts competition. However, the State must develop a timetable by June 1996 for the review of legislation and, where appropriate, reform existing legislation that restricts competition by the year 2000.

A time scale is laid out for review, but the reforms should be put in place by the year 2000 only where appropriate. However, more important are the two points which become the criteria on which someone will make decisions on the review of the legislation - that is not entirely clear either. It all hangs on the first of those, which is very simple: Is there or is there not a benefit to the community from the restriction which is involved in the legislation that, as a whole, outweighs the costs?

We need only refer back to why we have whole milk quotas in the first place: The consumers, not the producers, must have a guarantee that they will receive a minimum quantity of fresh milk every day of the year. It does not matter whether it is a winter like the south west has just had, which from a primary producer's point of view was appalling. It was so wet that it was impossible to produce milk profitably.

Hon B.K. Donaldson: Dry so early too.

Hon KIM CHANCE: It was difficult being dry at the beginning and wet at the end of winter. We must weigh up that with what inevitably follows an excellent spring. All of a sudden we have conditions that produce a huge flush of milk very cheaply. The market does not respond to that rise and fall in production capacity. It consumes about the same amount of white whole milk - the only commodity covered by the quota system - from one end of the year to the other. What do we do to fill the shortfall of supply which would occur in normal market conditions, in those bad conditions - in the dry early winter and wet late winter - and what do we do with the surplus created by the flush of production in the spring and early summer conditions that follow? There is no way we can expand and contract the market to fill that gap. The logical answer is to licence people at a level of production and dispose of the surplus in the manufacturing milk market at a much lower price. In order to keep people producing milk when it is expensive, we must lift the price to a level with which everyone is comfortable.

That is a system we have had for many years. I am certainly comfortable with it. I acknowledge that some producers further south and further inland from the main whole milk producing areas argue that they can produce milk cheaper under some conditions and would like to see the premium market opened up to more people. Generally the argument they put for the most effective mechanism to do that is a pooling system where everybody has a share of the quota and non-quota milk. It works quite well in a couple of the Eastern States. I think New South Wales has that system. Although I am prepared to listen to that argument, in terms of the Hilmer effect, if that is what people are worried about, the pooling system has the same problems as the quota system in that there is still an identified premium pool. All that changes is how that pool is shared around.

The second difficulty is that New South Wales did not have a huge amount of choice about what it did. From the explanation I have heard of how the New South Wales pooling system works it is a pretty fair and effective system. However, its production dynamics are vastly different from those in Western Australia. We have a relatively small consumer pool which is far distant from any other part of the world and which can produce milk in any quantity. From the very beginning we have a specific problem.

The other problem is that the only way we can produce milk in a climate such as ours with our hot summer is by irrigation. We must have access to some form of irrigation or some other means of pumping up milk quantity and quality in those difficult times of the year. Late summer is another very difficult time. About the only way to boost output is by concentrating the milk growing area in the very small part of the State which is capable of it. As the State has developed and its population has increased we have seen a slow but steady south-bound movement of the whole milk producing area, which began here in Perth on the banks of the Swan River. It steadily moved south through the Byford and Serpentine areas. It then took the big move further south into the irrigation areas roughly within a radius of Bunbury, and moved still further south. Significant milk production is now taking place south of, and inland from, Busselton.

We do not have the same production dynamics as New South Wales because we have always had a relatively small pool of producers in that group which produce milk through those difficult times. If we have different production dynamics and market dynamics from New South Wales there is no reason to believe that we should make the same change that New South Wales has made. However, it is not for me or any one of us here to suggest to the dairy industry that it should follow any one line of action. It would be very dangerous for any of us to comment on the future of the dairy industry. If the dairy industry in a proper process of re-evaluation of its needs decided that it wanted to go to a different form of marketing, pooling would be one example. I do not think it is the role of any of us to interfere in that decision.

We must first decide what the industry wants to do. As members of Parliament our role is to ensure that we make that decision with all the facts and that they are unfiltered and unbiased in any way. I was not satisfied with the decision making which led up to the Busselton dairy conference this year. I was even more distressed when I heard that people advising dairy farmers either did not understand the facts or were not imparting the information they should have had. I hope that to some extent that issue has been addressed, because it was costing people real money, not paper money. There had been a very specific drop in the trade in price of the milk quota.

Hon B.K. Donaldson: It has rebounded to $295, so there is still some confidence.

Hon KIM CHANCE: There had been a substantial drop. I cannot tell the member the time scale, but it was presented to me as $60 a litre for the quota.

Hon B.K. Donaldson interjected.

Hon KIM CHANCE: I do not want to argue about the drop. That is how it was presented to me. If people had been forced to sell a quota at that time for any reason - for example, the executor of an estate, a farmer seeking to retire and go into beef production or people with no choice but to sell in the market at that time - they would have lost a lot of money. If the drop off was in the order of $60 a litre during that time of which I was advised and their quota was 1 000 litres, their loss was $60 000. That would be a real dollar value loss arising out of a situation which I believe was driven by a little more than a lack of confidence in the industry as the result of speculation about what could happen with national competition policy. That situation was unacceptable. The Parker and Parker report is valuable. Parker and Parker was charged with examining only a very narrow spectrum as a result of the national competition policy. Nonetheless it did that job adequately. It asked the right questions. I am not saying that simply because it reinforced my thoughts on the matter. It has done a very competent and professional job.

I started my speech with the question of the protection of the State's autonomy under this legislation. We find further protection for the State's autonomy in clause 39 of the Bill, which provides the power to make regulations under the proposed Act which specifically authorise actions which would otherwise be inconsistent with the proposed Act. That is what I referred to when I quoted from the Hilmer report and which the committee recommended be deemed to have expired at the end of three years. The capacity to do what clause 39 sets out to do comes from the exemption provision contained in section 51 of the commonwealth Trade Practices Act 1974. A version of part 4 of the Trade Practices Act is included as a note to the Bill from pages 46 to 59. Section 51 runs from page 55 to page 59.

This raises my second question of the Minister to which I would like him to respond in his summing up. To what extent is the State being consulted on the future of the exemption section 51 and part 4 of the Trade Practices Act? Is it the view of the Government that the exemption will be ongoing? Is the government support of the legislation dependent on the continuation of this exemption section in the commonwealth Trade Practices Act? The reason for that question is obvious enough. I am happy to support the Bill in its present form because it provides for the State to continue to conduct its affairs in its own way. However, if the safety provisions of the Act alter and the State loses its right to self-determination on these matters, my position on this will be very different. I feel confident from what I have read of the comments of Dr Gallop and others that the position of the Australian Labor Party would be quite different, to the extent that it would have difficulty supporting this legislation if it had no guarantee that those powers of self-determination would remain.

Another more specific reason for asking that question arises from the exemption clause. Is the Minister able to assure me that the Government has a guarantee from the Commonwealth to the effect that the exemptions will not be deemed to expire at the end of three years? That takes me to the question of the adoption of the competition code itself and the processes by which it may be amended from time to time. One of the difficulties with uniform legislation is that despite the obvious benefits which flow from uniformity of jurisdictions, the potential is always that the State might lose its rights of self-determination in the process. Reference to the competition code is found in clause 4 of the Bill. However, the text of the code, which is the core of the legislation, is commonwealth and not state legislation. It is specifically portions of the Trade Practices Act 1974 and the regulations of that Act. This is another matter on which I would ask the Minister for guidance when he responds. What control is the State surrendering to the Commonwealth in the light of the State's reliance on commonwealth legislation as the principal text of the Bill? It

seems apparent that at some future time the code can be altered by no other mechanism than an amendment nationally to the commonwealth Trade Practices Act, even though we would apply that code as if it were a law under this jurisdiction. This matter is addressed on pages 9 and 10 of the second reading speech. I am still uncertain about this State's safeguards mentioned on page 10. The speech simply refers to a requirement to consult with all jurisdictions and to seek a vote from them prior to taking an amendment to the Commonwealth Parliament. Before I am entirely satisfied on that matter I will need to know what would occur if our State were the odd man out in any decision in favour of a change to the Trade Practices Act and as a consequence the code and Western Australian law. Is it possible that in those circumstances a Western Australian law might be amended without this Parliament either making or ratifying that decision?

The amendments to the Trade Practices Act do not create an automatic requirement for an amendment Bill in this Parliament to this legislation as a consequence of the altered text of the Trade Practices Act. That being the case, what are the safeguards that will be available to the Western Australian Parliament? It seems that the principal mechanism of protection exists in clause 6(1)(b) of the Bill whereby a modification of the code will not apply if it is excluded by proclamation. However, I would appreciate some reassurance on that point.

I have dealt only with a very narrow part of the detail of this Bill which has a much broader ambit than that. However, in closing I commend the Bill because it offers opportunities for our economy to grow, and all Australians are likely to benefit from that. The likely level of the benefit that will accrue has been wildly overstated. However, I will be the first to welcome any evidence that I was wrong about the extent of the benefit. I hope I am wrong. To the extent that I have pointed to some negatives arising from the application of the code, and if not negatives at least a couple of niggling worries, these too have been overstated by many of the antagonists. However, they are outweighed by the potential benefits. It is essential that the State retain its capacity to manage its affairs within the broad thrust of the policy. That includes the continuation of the section 51 exemptions. Any attempt to abolish those exemptions must be resisted vigorously by the Government.

Debate adjourned, on motion by Hon B.K. Donaldson.

House adjourned at 12.14 am (Wednesday)

QUESTIONS ON NOTICE

ABORIGINAL AND TORRES STRAIT ISLANDER COMMISSION - COMMONWEALTH BUDGET CUTS

646. Hon TOM STEPHENS to the Minister for Employment and Training:

In light of the Federal Government's confirmed budget cuts to ATSIC and the consequent termination of ATSIC's community training program, which provided support for Aboriginal organisations to increase the skills of their managers, financial administrators and administrative staff -

(1) Will the Minister immediately provide state government funds to support these organisations to undertake these much needed training programs?

(2) If not, why not?

Hon N.F. MOORE replied:

(1)-(2) There are a number of established training programs in community management and development provided by the adult vocational education and training sector, and by other independent Aboriginal training providers to cater for these needs. The State Government will ensure that these courses are ongoing enabling participation.

ATHLETICS WEST - DIRECTOR

655. Hon DOUG WENN to the Minister for Sport and Recreation:

(1) Who is the new Director of Athletics West?

(2) What is the salary of the new director?

(3) Was the new director appointed by the board or by ministerial direction?

Hon N.F. MOORE replied:

(1) Mr Chilla Porter.

(2) Unknown.

(3) By the board.

SWAN SHIRE COUNCIL - QUARRY, LOT 1 LAGE ROAD, BULLSBROOK

712. Hon GEORGE CASH to the Minister for Transport representing the Minister for Local Government:

(1) On what date did the Shire of Swan grant approval to commence development of the hard rock quarry on Lot 1 Lage Road, Bullsbrook?

(2) For what period is the approval valid?

(3) What conditions were imposed by the Shire of Swan and/or any other government department or agency in respect of the approval?

Hon E.J. CHARLTON replied:

(1) The Shire of Swan has issued three separate approvals to commence development for a hard rock quarry on Pt Lot 1, Lage Road, Bullsbrook.

  (a) The first approval to commence development was granted at a council meeting of 31 May 1982.

  (b) The second approval to commence development was granted at a council meeting of 25 July 1983.

  (c) The third approval to commence development was granted at a council meeting of 23 June 1993.

(2) The approval periods stated below correspond with (a) to (c) above.

  (a) 12 months

  (b) 10 years

  (c) 21 years.

(3) See tabled paper for the current approvals granted and conditions imposed by the Shire of Swan and/or any other government department or agency on the quarry.

[See paper No 755.]

SWAN SHIRE COUNCIL - QUARRY, LOT 1 LAGE ROAD, BULLSBROOK

713. Hon GEORGE CASH to the Minister for Transport representing the Minister for Local Government:

(1) Is the Minister for Local Government aware that an application has been received by the Shire of Swan for "key extraction area" status under the State Government's basic raw materials policy statement for the metropolitan region for a hard rock quarry located at Pt Lot 1, Lage Road, Bullsbrook?

(2) Is the Minister also aware that the Bullsbrook Progress Association Inc and the Bullsbrook-Chittering Chamber of Commerce Inc have jointly undertaken a survey of Bullsbrook residents concerning the Bullsbrook town structure plan and that more than 80 per cent of the respondents favoured expanded residential development in and around the town site area and that more than 95 per cent of respondents were opposed to "key extraction area" status being granted in respect of the hard rock quarry at Pt Lot 1, Lage Road, Bullsbrook?

Hon E.J. CHARLTON replied:

(1) No, but I am advised now than an application has been made.

(2) No, but I am advised that a survey has been conducted and is being considered by the Shire of Swan.

SWAN SHIRE COUNCIL - QUARRY, LOT 1 LAGE ROAD, BULLSBROOK

714. Hon GEORGE CASH to the Minister for Transport representing the Minister for Local Government:

(1) Do the minutes of the ordinary meeting of the Shire of Swan on 12 June 1996 indicate that computer generated noise modelling of the quarry at Pt Lot 1, Lage Road, Bullsbrook was conducted separately from the CSR submission and that acoustic consultants were engaged by council to assist in the preparation of the Bullsbrook structure plan?

(2) If so, who were the acoustic consultants engaged by the Shire of Swan and on what date were they engaged?

(3) Is the Minister for Local Government aware of the results of the noise modelling study?

(4) If so, will that information be released to residents?

(5) If not, why not?

Hon E.J. CHARLTON replied:

(1) Yes.

(2) Herring Storer Acoustics were engaged by the Shire of Swan on 3 March 1996.

(3) No.

(4) Notwithstanding the answer to (3), it is understood that the noise modelling results have already been released to residents by the Shire of Swan. Noise contours based on the noise modelling study were depicted on the draft Bullsbrook structure plan which was presented to residents at three community forums in Bullsbrook for information and comment. A survey/questionnaire on the draft Bullsbrook structure plan was mailed to over 10 000 Bullsbrook residents for information and comment.

(5) Refer to (4).

SWAN SHIRE COUNCIL - QUARRY, LOT 1 LAGE ROAD, BULLSBROOK

715. Hon GEORGE CASH to the Minister for Transport representing the Minister for Local Government:

(1) Do the minutes of the ordinary council meeting of the Shire of Swan on 9 June 1993 indicate that the applicant for a hard rock quarry on Pt Lot 1, Lage Road, Bullsbrook, advised council that "discussions have been held with the owner in question"?

(2) Which person or company is referred to as the "owner in question"?

(3) On which date did these discussions occur and who were the parties to the discussion?

Hon E.J. CHARLTON replied:

(1) The ordinary meeting of council took place on 23 June 1993. The stated council meeting date has been confused with a committee meeting which occurred on 9 June 1996. The council minutes from the June 1995 ordinary meeting confirm in appendix 14.3D comment 2.2 the following -

> letter referred to applicant. Applicant advised that discussions have been held with the owner in question

On further investigation evidence indicates comment 2.2 above to be incorrect. On 19 April 1993 CSR Readymix provided a written response to council on the submissions received on the quarry application. In this correspondence CSR Readymix stated -

> a meeting of all parties has been held in the past at Bullsbrook instigated by the Readymix Group but no representative from Vispo Holdings attended even though all adjacent landowners were notified

(2) Vispo Holdings Pty Ltd is the "owner in question".

(3) Council has no record of the date these discussions occurred, nor any record other than described in (1) as to who the parties were to the discussion..

SWAN SHIRE COUNCIL - QUARRY, LOT 1 LAGE ROAD, BULLSBROOK

716. Hon GEORGE CASH to the Minister for Transport representing the Minister for Local Government:

(1) Did the Shire of Swan at its ordinary meeting on 12 June 1996 consider an application for "key extraction area" status for Pt Lot 1, Lage Road, Bullsbrook?

(2) If so, what was the decision of the council in respect of this matter?

Hon E.J. CHARLTON replied:

(1) Yes.

(2) "Resolved that the recommendations be set aside and that council defer the matter until such time as landowners adjacent to the quarry have had an opportunity to lodge submissions with council, with the submission period to align with that applicable to the Bullsbrook structure plan."

SWAN SHIRE COUNCIL - QUARRY, LOT 1 LAGE ROAD, BULLSBROOK

717. Hon GEORGE CASH to the Minister for Transport representing the Minister for Local Government:

(1) Did the Shire of Swan in a letter dated 10 July 1996 advise landowners adjacent to the quarry location at Pt Lot 1, Lage Road, Bullsbrook, that an application for "key extraction area" status had been received by the council and invited landowners adjacent to the quarry to lodge submissions with the council?

(2) Why did the council only advise landowners adjacent to the quarry when the social, economic and environmental impact of the quarry will affect considerably more local residents and landowners than those adjacent to the quarry site?

Hon E.J. CHARLTON replied:

(1) Yes.

(2) Council records do not show the background to its decision. Representations were made from Peter Webb on behalf of Vispo Holdings Pty Ltd (adjoining landowner). It was on this basis that council may have been of the view that adjacent landowners should be notified accordingly. Notwithstanding the above, council will be advertising the application for "key extraction area" status which will advise local residents and landowners.

SWAN SHIRE COUNCIL - QUARRY, LOT 1 LAGE ROAD, BULLSBROOK

718. Hon GEORGE CASH to the Minister for Transport representing the Minister for Local Government:

I refer to an application for "key extraction area" status for the hard rock quarry situated at Pt Lot 1, Lage Road, Bullsbrook, and ask -

(1) What social, economic and environmental factors did the Shire of Swan take into account when considering a recommendation that the council advise the Western Australian Planning Commission of its support for the East Bullsbrook Quarry being upgraded to key extraction area status?

(2) Did the council consider the likelihood that persons affected by the council's decision to support the quarry being upgraded to key extraction area status would cause the council to be joined with the applicant in a civil action for both private nuisance and public nuisance by persons affected by the operation of the quarry?

(3) Did the council consider the decisions in the cases of -

(a) Directors of the St Helen's Smelting Co v Tipping (1865) 11 HLC 642;

(b) Squarcini and Another v Western Australian Planning Commission (Unreported, Supreme Court of Western Australia, 1996); or

(c) Re Smith, Minister for Local Government ex parte Ransburg Pty Ltd (1993) 80 LGERA 401?

Hon E.J. CHARLTON replied:

(1) Social Factors: Submission of objection from the Lombardo Group; deputation from Mr Peter Webb representing Mr David Lombardo of Vispo Holdings Pty Ltd; deputation from Mr Craig Verrier on behalf of the Bullsbrook-Chittering Chamber of Commerce; consideration to a buffer area and criteria associated.

Economic Factors: Regional economic importance of the quarry to the wider Perth regional community; estimated life of the quarry; strategic importance of the quarry as an aggregate resource to the Perth region; existing/operating quarry.

Environmental Factors: Dust suppression; blasting impacts, vibration, air blast over pressure, noise; vehicle movement; adjacent land uses; rehabilitation plan.

A summary report of the above factors was included in the June 1996 item to the council on the application for key extraction area status for the quarry.

(2) Further advice is being sought on this matter before council considers the matter further. No decision has been made to date.

(3) Refer to (2).

SWAN SHIRE COUNCIL - QUARRY, LOT 1 LAGE ROAD, BULLSBROOK

719. Hon GEORGE CASH to the Minister for Transport representing the Minister for Local Government:

(1) To what extent, if any, has the Shire of Swan deferred or altered decisions in relation to the planning, including zoning or rezoning, of land adjacent to the quarry situated at Pt Lot 1, Lage Road, Bullsbrook, because of the existence of the hard rock quarry?

(2) To what extent, if any, will the council defer or alter decisions in relation to the planning, including zoning or rezoning, of land adjacent to the quarry land, because of the application for key extraction area status for the hard rock quarry?

Hon E.J. CHARLTON replied:

(1) The Shire of Swan has deferred decisions in relation to the planning of land adjacent to the quarry because of the existence of the quarry on three occasions. These are -

(a) In March 1996 council agreed to defer consideration of the draft Bullsbrook structure plan for one month pending receipt of additional information regarding the impacts of the quarry on the draft structure plan.

(b) In June 1996 council's strategic services requested CSR Readymix to engage an acoustic consultant to undertake further assessment of impacts from the quarry - that is, noise, vibration, air blast over pressure. The Bullsbrook structure plan was further deferred pending receipt of this additional information.

(c) A submission for the south east portion of Pt Lot 1, Lage Road, Bullsbrook to be rezoned to rural residential was received in December 1994. The council decided further information was required regarding the impacts of the hard rock quarry before it could reach a decision on this matter.

The Shire of Swan will have regard to the State's basic raw materials policy in relation to the planning of land adjacent to the quarry.

(2) The council when dealing with applications for rezoning, subdivision and development is required to have due regard to the State's basic raw material policy statement for the Perth metropolitan region which has been adopted by the Western Australian Planning Commission. Any proposed changes to that policy including the application by CSR Readymix for key extraction area status over the hard rock quarry will have a potential impact on any future decision of council. Furthermore, the existence of the current quarry operations cannot be ignored by council with consideration of future land use proposals.

TAFE COLLEGES - FEE FOR SERVICE COURSES, REVENUE; COST

728. Hon JOHN HALDEN to the Minister for Employment and Training:

(1) In the 1996-97 financial year, what is the anticipated revenue to TAFE colleges for fee for service courses?

(2) What is the anticipated cost to TAFE colleges of conducting fee for service courses in 1996-97?

Hon N.F. MOORE replied:

(1) The 1996-97 estimated revenue for fee for service activities is $11 552.

(2) The anticipated cost to TAFE colleges of conducting fee for service courses in 1996-97 is $11 552.

ENVIRONMENTAL PROTECTION, DEPARTMENT OF - FIMISTON I AND II, OROYA TAILINGS DAMS, MONITORING BORES WATER LEVELS

742. Hon J.A. SCOTT to the Minister for the Environment:

With reference to the following monitoring bores and numbers located near Fimiston I and II, Oroya tailings dams - MB-F1-MB-F3, MB-F5-MB-F17, MB-F19-MB-F27, MB-F29-MB-F38 and MB-F40 -

(1) What is the current standing water in metres below ground level in all of the above monitoring bores?

(2) Have drill logs been completed for all of the above monitoring bores?

(3) If yes, will the Minister or the Department of Environmental Protection supply me with a complete copy of all the drill logs?

(4) If not, why not?

(5) Will the Minister supply me with all the standing water level measurements taken that have been measured in all the above monitoring bores since they were first installed?

(6) If not, why not?

(7) Will the Minister supply me with all the sample analysis results taken from all the above monitoring bores since they were first installed up to today's date?

(8) If not, why not?

(9) What depth in metres below ground level were all of the above monitoring bores constructed and drilled to?

Hon PETER FOSS replied:

(1)-(3) The data required by these questions are extensive. The Department of Environmental Protection does not have all this information.

(4) Not applicable.

(5)-(9) See (1).

COMMONWEALTH-STATES HOUSING AGREEMENT - COMMONWEALTH GRANTS FOR ABORIGINAL RENTAL HOUSING; EXPENDITURE; HEALTH FUNDS

763. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

With regard to the commonwealth grants for Aboriginal rental housing under the Commonwealth-States Housing Agreement -

(1) What were the total amounts spent for Aboriginal rental housing in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

(2) What were the total amounts of health funds received and spent for ARH in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

(3) Were these figures for health funds shown in Budget paper No 7 or Homeswest annual reports for the same years?

Hon MAX EVANS replied:

(1) (a) $15 746 960.
(b) $20 550 091.
(c) $18 973 905.
(d) $14 302 141.

(2) Please note the national Aboriginal Health Strategy allocation is not part of the Commonwealth-State Housing Agreement.

	Year	Health Funds Received	Amount Spent
(a)	1991-92	Nil	Nil
(b)	1992-93	$1 945 000	$851 366
(c)	1994-95	Nil	$206 754
(d)	1995-96	Nil	Nil (preliminary)

(3) Budget paper No 7 - No.
Homeswest annual reports - Yes, included in other capital.

ABORIGINAL HOUSING BOARD - AUDITOR; AUDIT; SALARIES

764. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

(1) Who audits the Aboriginal Housing Board's financial records?

(2) What are the audited figures for the operation of the Aboriginal Housing Board for the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

(3) What were the Aboriginal Housing Board members' salaries for the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

(4) What were the Aboriginal Housing Board's budgeted salaries for the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

Hon MAX EVANS replied:

(1) Office of the Auditor General.

(2) The Aboriginal Housing Directorate operations form part of the Homeswest Consolidating Operating Statement. The audit conducted on the Aboriginal Housing Directorate's operations forms part of the overall Homeswest audit which is undertaken by the Office of the Auditor General.

(3) Salaries for the AHD were - please note the board members do not receive a salary but receive a sitting fee which is included in the figures below -

(a) $248 817;
(b) $273 341;
(c) $469 545; and
(d) $640 328.

(4) Revised budgeted salaries for the AHD were -

(a) $246 000;
(b) $360 000;
(c) $535 000; and
(d) $635 000.

ABORIGINAL VILLAGE - EXPENDITURE, AUDITED FIGURES

765. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

What were the audited figures for Aboriginal village expenditure in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

Hon MAX EVANS replied:

(a) $3.615m;
(b) $9.2m;
(c) $8.062m; and
(d) $7.638m.

These figures are accrued and extracted from the respective annual reports.

HOMESWEST - ANNUAL REPORT 1993-94

Commonwealth Funding for Construction

766. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

At page 35 of Homeswest's 1993-94 annual report, what does it mean when it states that commonwealth funding for construction during 1993-94 amounted to $15.86m, a fall of $1.1m compared with the previous year?

Hon MAX EVANS replied:

The agreed funding allocation for Aboriginal Housing under the Commonwealth-States Housing Agreement has been a consistent $15.86m. This was the allocation in 1992-93 and in 1993-94. The $1.1m refers to funds provided under the National Aboriginal Health Strategy program in year 1992-93. In 1993-94 no funding was received under this program. To clarify the $1.1m, this represents the net balance of the $1 945 000 provided under the NAHS less $851 366 spent as per the answer to question 763(2)(b).

HOMESWEST - ANNUAL REPORT 1993-94

Crisis Accommodation, Expenditure

767. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

I refer the Minister for Housing to Homeswest's annual report of 1993-94. At page 33 it states that Homeswest spent $5.6m on the crisis accommodation program for 68 properties.

(1) How much was spent to purchase the 38 homes?

(2) How much was spent to build the 30 homes?

Hon MAX EVANS replied:

The $5.6m refers to spending on the crisis accommodation program during the financial year 1993-94 and does not relate specifically to the 68 properties. The spending relates to -

commencements in 1993-94 but not completed in 1993-94;

commencements from previous financial year/s but not completed in 1993-94;

completions commenced in 1993-94; and

completions commenced in previous financial year/s.

The 68 properties refers only to the number of completions during financial year 1993-94. Therefore, the answer to question 767(1) and (2) is not readily available. To provide this information would consume considerable time and valuable resources which I am not prepared to allocate for this purpose.

HOMESWEST - ANNUAL REPORT 1993-94

Crisis Accommodation Program, Expenditure

768. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

I refer the Minister for Housing to Homeswest's annual report of 1993-94. At page 19 it states that Homeswest spent $5.375m of crisis accommodation program funds for 61 properties.

(1) How much was spent to purchase the 31 homes?

(2) How much was spent to build the 30 homes?

Hon MAX EVANS replied:

Page 19 of the 1993-94 annual report does not read as stated.

COMMONWEALTH-STATES HOUSING AGREEMENT - COMMONWEALTH GRANTS FOR CRISIS ACCOMMODATION PROGRAM, EXPENDITURE

769. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

With regard to the commonwealth grants for crisis accommodation program funds under the Commonwealth-States Housing Agreement -

(1) What were the total amounts spent for CAP in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1993-94;
(d) 1994-95; and
(e) 1995-96?

(2) What was the allocation of funds for Western Australia for CAP in 1994-95?

(3) When was the $3.3m balance of appropriated funds for CAP in 1994-95 received into the Government of Western Australia bank account BSB code 096006 account No 626981?

Hon MAX EVANS replied:

(1) (a) $1 191 227;
(b) $9 215 424;
(c) $5 657 157;
(d) $5 564 848; and
(e) $6 929 646.

*(2) $3 771 000.

(3) The $3.3m was received progressively during the 1995-96 financial year.

* The answer given is the grant allocation as distinct from the draw down amount; see answer to question 579(1)(c).

COMMONWEALTH-STATES HOUSING AGREEMENT - COMMONWEALTH GRANTS FOR CRISIS ACCOMMODATION PROGRAM, MORTGAGE AND RENT ASSISTANCE PROGRAM FUNDS

770. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

With regard to the commonwealth grants for crisis accommodation program funds under the Commonwealth-States Housing Agreement -

(1) What was the allocation of funds for Western Australia for the mortgage and rent assistance program in 1994-95?

(2) What was the commonwealth payment for MRAP in 1994-95?

Hon MAX EVANS replied:

(1) $2.94m.

(2) $5.192m (includes 1993-94 grant allocation).

Please note there is no relationship between CAP and MRAP as implied in the question.

COMMONWEALTH-STATES HOUSING AGREEMENT - COMMONWEALTH GRANTS FOR CRISIS ACCOMMODATION PROGRAM, SOCIAL SECURITY AND WELFARE FUNDS

771. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

With regard to the commonwealth grants for crisis accommodation program funds under the Commonwealth-States Housing Agreement -

(1) What CSHA funds were allocated to the social security and welfare function in 1994-95?

(2) What was the break up of those funds into the two programs they were earmarked for?

Hon MAX EVANS replied:

All CAP funds are expended on capital works as per the program guidelines.

COMMONWEALTH-STATES HOUSING AGREEMENT - COMMONWEALTH GRANTS FOR CRISIS ACCOMMODATION PROGRAM; FUNDS RETURNED; APPROVED

772. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

With regard to the commonwealth grants for crisis accommodation program funds under the Commonwealth-States Housing Agreement -

(1) Were any CAP funds returned or recalled by the Commonwealth in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1993-94;
(d) 1994-95; and
(e) 1995-96?

(2) What was the total of CAP funds approved by both federal and state Ministers for projects in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1993-94;
(d) 1994-95; and
(e) 1995-96?

Hon MAX EVANS replied:

(1) (a) No;
(b) no commonwealth grant was received; and
(c)-(e) no.

(2) (a) $5 060 000;
(b) nil;
(c) $4 180 000;
(d) $5 315 400; and
(e) $8 323 000.

* Please note the distinction in the answers given at questions 772(2), 769(1) and 579(1).

HOMESWEST - MORTGAGE AND RENT ASSISTANCE FUNDS, USED FOR PAYMENT OF SETTLEMENT FEES; SETTLEMENTS AGENT

773. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

(1) Does Homeswest still use mortgage and rent assistance funds for payment of settlement fees for Homeswest loan recipients and tenants purchasing a commission property?

(2) Who does Homeswest's settlements?

Hon MAX EVANS replied:

(1) Mortgage and rent assistance is no longer a specific purpose grant under the Commonwealth-State Housing Agreement as from 1 July 1996.

(2) Generally speaking, Homeswest.

COMMONWEALTH-STATES HOUSING AGREEMENT - COMMONWEALTH GRANTS FOR LOCAL GOVERNMENT AND COMMUNITY HOUSING, FUNDS

774. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

I refer the Minister for Housing to commonwealth grants for local government and community housing under the Commonwealth-States Housing Agreement -

(1) What were the total amounts spent for local government and community housing in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

(2) What funds were agreed to between federal and state Ministers for local government and housing in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

(3) Were any of these funds returned or recalled by the Commonwealth in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

Hon MAX EVANS replied:

(1) (a) $2 421 858;
(b) $7 896 873;
(c) $6 280 686; and
(d) $7 381 307.

*(2) (a) $1 800 000;
(b) $2 574 600;
(c) $9 243 021; and
(d) $6 863 566.

(3) (a) No;
(b) the grant was reduced; and
(c)-(d) no.

* Question (2) has been interpreted as "project approvals".

COMMONWEALTH-STATES HOUSING AGREEMENT - COMMONWEALTH GRANTS FOR LOCAL GOVERNMENT AND COMMUNITY HOUSING, COMMUNITY HOUSING PROGRAM FUNDS

775. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

I refer the Minister for Housing to commonwealth grants for local government and community housing under the Commonwealth-States Housing Agreement -

(1) What was the total of community housing program grants agreed by the federal and state Ministers in the financial years -

(a) 1991-92;
(b) 1992-93;
(c) 1994-95; and
(d) 1995-96?

(2) Who holds the title for all CHP properties in Western Australia?

(3) How many properties are held by -

(a) sponsored organisations; and
(b) Homeswest?

Hon MAX EVANS replied:

*(1) (a) $1 800 000;
(b) $2 574 600;
(c) $9 243 021; and
(d) $6 863 566.

* "Grant agreed" has been interpreted as project approval.

(2) Generally speaking, the sponsoring group is the legal owner, subject to Homeswest's interest.

(3) (a) 142;
(b) two.

HOMESWEST - ANNUAL REPORT 1992-93

Local Government and Community Housing, Homes Purchased

776. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

I refer the Minister for Housing to the Homeswest annual report of 1992-93 which states that Homeswest purchased 47 established homes and purchased 32 lots for future projects for local government and community housing.

(1) What was the total cost of these 47 homes?

(2) How many were allocated to the crisis accommodation program and the community housing program?

(3) What was the total cost of the 32 lots?

(4) How many were allocated to CAP and CHP and what was the cost for each program?

(5) What was the construction budget in 1992-93 and how much was allocated for CAP and CHP?

Hon MAX EVANS replied:

(1) Information not readily available. To provide this information would consume considerable time and resources and is not justified.

(2) CAP 34 and CHP 13.

(3) $4 520 000.

(4) CAP - 11 lots at $945 000; and CHP - 21 lots at $3 575 000.

(5) The community housing construction expenditure in 1992-93 was $2 680 079 with $1 004 788 for CAP and $1 675 291 for CHP.

HOMESWEST - ANNUAL REPORT 1994-95

Commonwealth Housing Programs, Properties Purchased

777. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

I refer the Minister for Housing to the Homeswest annual report of 1994-95, page 20, which states that Homeswest spent $6.4m on commonwealth housing programs and added 45 properties, and ask -

(1) How much was spent to purchase the 24 properties?

(2) How much was spent to build the 21 properties?

Hon MAX EVANS replied:

The $6.4m refers to spending on the commonwealth housing program during the financial year 1994-95 and does not relate specifically to the 45 properties. The spending relates to: Commencements in 1994-95 but not completed in 1994-95; commencements from previous financial year/s but not completed in 1994-95; completions commenced in 1994-95; and completions commenced in previous financial year/s. The 45 properties refers only to the number of completions during financial year 1994-95. Therefore, the answer to (1) and (2) is not readily available. To

provide this information would consume considerable time and valuable resources which I am not prepared to allocate for this purpose.

HOMESWEST - ANNUAL REPORT 1993-94

Commonwealth Housing Programs, Expenditure; Homes Purchases

778. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

I refer the Minister for Housing to the Homeswest annual report of 1993-94, page 34, which states that Homeswest spent $4.1m on commonwealth housing programs and added 87 properties, and ask -

(1) How much was spent to purchase the 22 homes?

(2) How much was spent to build the 65 homes?

Hon MAX EVANS replied:

The $4.1m refers to spending on the commonwealth housing program during the financial year 1993-94 and does not relate specifically to the 87 properties. The spending relates to: Commencements in 1993-94 but not completed in 1993-94; commencements from previous financial year/s but not completed in 1993-94; completions commenced in 1993-94; and completions commenced in previous financial year/s. The 87 properties refers only to the number of completions during financial year 1993-94. Therefore, the answer to (1) and (2) is not readily available. To provide this information would consume considerable time and valuable resources which I am not prepared to allocate for this purpose.

HOMESWEST - ANNUAL REPORT 1990-91, PROPERTY ASSETS

779. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Housing:

I refer the Minister for Housing to the Homeswest annual report 1990-91, which states "the commission has title to all other property assets, funded from this mix of Commonwealth, State and self generated funds". Is this still the case?

Hon MAX EVANS replied:

Generally speaking Homeswest has the legal title to its property assets except for CAP and CHP where Homeswest asset is held in equity, Aboriginal remote community villages and some early joint venture agreements.

LAND - LOT 129 BONNEVILLE WAY, JOONDALUP, USE

795. Hon GRAHAM EDWARDS to the Minister for Finance representing the Minister for Lands:

(1) Can the Minister for Lands advise what the current use of Lot 129 Bonneville Way, Joondalup is?

(2) Was this lot originally listed as a residential block?

(3) If yes, when did the change of use occur?

(4) When will the lot revert to residential?

Hon MAX EVANS replied:

(1) Lot 129 Bonneville Way, Joondalup is currently used for a temporary sewer pumping station.

(2) No. It was always noted as being for the temporary use of a sewer pumping station.

(3) Not applicable.

(4) The Water Corporation has advised that longer term arrangements will be effected when Peet and Co develop its land bounded by Burns Beach Road to the north, Mitchell Freeway reserve to the east, Connolly Drive to the west and existing Beaumaris Estate to the south.

WESTERN POWER - ALINTAGAS, PRIVATISATION PLANS

804. Hon JOHN HALDEN to the Leader of the House representing the Premier:

Can the Premier guarantee that Western Power and AlintaGas will not be privatised if the coalition wins the next election?

Hon N.F. MOORE replied:

There are no plans to privatise Western Power or AlintaGas.

WATER CORPORATION - PRIVATISATION PLANS

805. Hon JOHN HALDEN to the Leader of the House representing the Premier:

Can the Premier guarantee that the Water Authority will not be privatised if the coalition wins the next election?

Hon N.F. MOORE replied:

On 1 January 1996 the Water Authority ceased to exist and its functions were taken on by the Water Corporation, the Office of Water Regulation and the Water and Rivers Commission.

QUESTIONS WITHOUT NOTICE

CREDIT CARDS - TRAVEL EXPENSES, BREACHES OF DISCIPLINE POLICY

956. Hon KIM CHANCE to the Leader of the House representing the Premier:

I refer to the sacking of a Health Department of Western Australia employee for using a government credit card on brothels and escort agencies, and I ask -

(1) Is it government policy that any employee found to abuse government credit cards or travel expenses faces dismissal?

(2) Are any employees of the Ministry of the Premier and Cabinet, or any other government department, under investigation for their credit card expenses, including the billing of international telephone calls to their credit cards?

(3) If so, can they be named?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1) Breaches of discipline, including abuse of government credit cards and travel expenses, are subject to the disciplinary provisions under part 5, division 3 of the Public Sector Management Act. Under the Act, penalties for breaches of discipline, depending upon whether the breach is deemed to be minor or serious, include reprimand, fine, transfer, reduction in the monetary remuneration of the officer, reduction in the level of classification of the officer, or dismissal of the officer.

(2) Not to my knowledge.

(3) Not applicable.

WORKSAFE WESTERN AUSTRALIA - CONSTRUCTION INSPECTORS, CORRUPTION ALLEGATIONS

957. Hon A.J.G. MacTIERNAN to the Attorney General representing the Minister for Police:

(1) Were allegations of bribery and corruption made against WorkSafe Western Australia construction inspectors referred to the fraud squad of the Western Australian Police Department in 1995?

(2) If yes, firstly, by whom was the referral made; secondly, what action was taken by the fraud squad to investigate the matter; and, thirdly, why did officers of the fraud squad never interview the person who made the allegations?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

(1) An allegation of corruption involving an employee of the Department of Occupational Health, Safety and Welfare was referred to the Criminal Investigation Branch fraud squad in 1995.

(2) Firstly, the Western Australian building and construction industry task force made the referral. Secondly, an allegation was investigated and it was established that there was insufficient evidence to proceed. Thirdly, officers from the WA building and construction industry task force obtained a written statement from the complainant that was provided to the fraud squad.

CONSERVATION AND LAND MANAGEMENT, DEPARTMENT OF - THORNTON QUARANTINE AREA, ILLEGAL LOGGING COMPLAINT

958. Hon J.A. SCOTT to the Minister for the Environment:

(1) Has the Department of Conservation and Land Management received a complaint that large unmarked saw logs have been taken from the Thornton quarantine area on a truck and a jinker with the permission of the department's Manjimup office?

(2) Is the Minister aware that the timber taken is in excess of 40 tonnes; is not that part of the tree normally used for craft wood; is being processed at a fully operational sawmill; is in the form of unmarked logs; and is authorised under a craft wood licence?

(3) Is the Minister satisfied with the quarantine practices used in this operation and that the timber has been used for craft wood as per the contractor's licence?

(4) If not, what action does the Minister intend to take to address this problem?

Hon PETER FOSS replied:

Some notice was given of this question on 17 October; therefore, my answer is current as at that date.

(1) Yes; however, as at 17 October the complainants had yet to agree to a formal interview.

(2)-(4) Until a formal complaint is received, it is not possible to finalise an investigation.

TRANSCOM INTERNATIONAL LTD - ASHTON MINING LTD, CONTRACT WITH ALINTAGAS, WESTERN POWER

959. Hon MARK NEVILL to the Leader of the House representing the Minister for Energy:

(1) Has either Transcom International Ltd or Ashton Mining Ltd had any contract or business dealings with AlintaGas, Western Power or the State Energy Commission of Western Australia after February 1993?

(2) If so, what was the nature of that contract or business dealing, and what was its price?

Hon N.F. MOORE replied:

(1)-(2) I regret I have not had time to obtain an answer to the question, and I ask the member to place it on notice.

ROCKINGHAM CITY COUNCIL - JET SKI BUSINESS, PORT KENNEDY, LICENCE ISSUED

960. Hon REG DAVIES to the Minister representing the Minister for Fisheries:

(1) Is the Minister aware that a member of the Western Australia Police Force has been issued with a licence by the City of Rockingham to operate a jet ski business on crown land at Port Kennedy?

(2) Was the Fisheries Department consulted before the licence was issued, in view of the fact that the site is a licensed fishing area and a nursery for whitebait?

(3) If not, what action does the Minister propose to take to protect the whitebait nursery?

Hon E.J. CHARLTON replied:

Notice of this question, for which I thank the member, was given on Thursday, 17 October. The answer I have relates to the situation at that time.

(1)-(3) The information sought by the member will take some time to collate and, therefore, I ask that the question be placed on notice. However, I undertake to check on this matter and to provide the answer; alternatively, the member can place the question on notice.

Hon Reg Davies: I will place the question on notice.

TELECOMMUNICATIONS - CABLING, OVERHEAD, UNDERGROUND

961. Hon J.A. SCOTT to the Leader of the House representing the Premier:

(1) Is the Premier aware that Telstra Corporation Ltd is planning to commence the installation of overhead cabling in two coastal suburbs south of the river before Christmas?

(2) Can the Premier inform the House of the suburbs being considered?

(3) What actions has the Premier or the Government taken, or what actions do they propose to take, to ensure all communications cables will be installed underground, particularly in important heritage areas?

(4) Will the State Government assist local government to pay part of the costs to put the cabling underground?

(5) Has the Premier discussed the matter with the Federal Government; if so, what was the outcome of those discussions?

(6) Is the Premier prepared to take a bipartisan approach to oppose overhead telecommunications cabling?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1) The corporate affairs section of Telstra has emphatically denied there are any plans for Telstra to install aerial cabling in the metropolitan area this financial year; that is, before the end of June 1997. Telstra claims any reports to the contrary are incorrect.

(2) Not applicable.

(3) The Government has strenuously opposed the existing exemptions of the telecommunications carriers - Telstra, Optus Communications and Vodafone Pty Ltd - from state planning, environment and heritage law. Those exemptions enable carriers to install their infrastructure contrary to the wishes of the public. As recently as 6 August 1996 the Premier again wrote to the Chairman of the Australian Telecommunications Authority, Austel, the telecommunications industry regulator, seeking cessation of those carrier exemptions and specifically seeking to ensure that all telecommunications cables go underground. A copy of that letter was sent to the federal Minister for Communications and the Arts, Senator Alston. Additionally government officials have coordinated the position of the State Government with those of the Western Australian Municipal Association and several councils. The Government, in conjunction with Western Power and local councils, has a long term program to put electricity distribution cabling underground. It would clearly be intolerable for telecommunications cabling to go anywhere else but underground. In both cases, the reasons include continuity of service as well as maintaining the visual environment.

(4) The Government's view is that the cost of installing telecommunications cables underground should be borne by carriers, with those costs doubtless reflected in the carriers' charges for telecommunications services. However, the Government continues to encourage the carriers to coordinate undergrounding with Western Power and local councils to minimise costs.

(5) The Government has made strong representations to the Federal Government in the context of the telecommunications national code and the draft commonwealth telecommunications Bill 1996. The latest indications are that the Federal Government is giving serious consideration to ceasing the carrier exemptions from state law from 1 July 1997 when the proposed telecommunications Act comes into force.

(6) The Premier has made clear the Government's position; namely, total opposition to any overhead telecommunications cabling. The Government hopes all opposition parties share this view.

WORKSAFE WESTERN AUSTRALIA - PETERS FACTORY DEMOLITION SITE, SCARBOROUGH BEACH ROAD, INSPECTION

962. Hon A.J.G. MacTIERNAN to the Minister representing the Minister for Labour Relations:

(1) Did a WorkSafe Western Australia inspector visit the demolition site of the old Peters factory on Scarborough Beach Road on the morning of 4 October 1996?

(2) Can the Minister confirm the inspector made no orders against the operator of the site, other than the standard order requiring that a registered builder be engaged pursuant to the new regulations?

(3) Can the Minister confirm that later that day, following union complaints about the state of the site, another inspector was sent to the site?

(4) Can the Minister confirm this second inspector did not enter the site after he was threatened with physical violence by the operator of the site?

(5) Were statements taken by officers of WorkSafe Western Australia from persons who witnessed those threats?

(6) Was the operator of the site subsequently interviewed by a senior WorkSafe WA officer; and, if so, who was that officer?

(7) Were any agreements made between WorkSafe and the operator about the improvement to the site?

(8) Have any charges been laid against the operator over the threats of violence; and, if not, why not?

(9) Was the inspector who first visited the site one of the inspectors named in complaints to the Western Australian building industry task force?

(10) Has the building industry task force received complaints alleging bribe taking and other corrupt conduct by officers of the construction branch of WorkSafe Western Australia?

(11) If so, how many WorkSafe officers were named in such allegations?

(12) Were detailed statements taken by officers within the building industry task force from persons making such allegations?

(13) When were those statements made?

(14) What persons within WorkSafe Western Australia were advised of those allegations?

(15) What investigations of the allegations have been made by the building industry task force and what were the results of the investigations?

Hon MAX EVANS replied:

(1) Yes.

(2) An improvement notice requiring compliance with a regulation relating to demolition was issued.

(3) Yes.

(4) No. The inspector was initially refused entry to the site.

(5) Statements were taken in relation to the refusal of entry.

(6) The chief inspector of construction of engineering interviewed the operator.

(7) No agreements were made. Notices were issued by the inspector - referred to in part (4) - requiring improvements to the site.

(8) The circumstances of the refusal of entry did not warrant charges being laid.

(9) The inspector who first visited the site was a departmental officer who had unsubstantiated allegations levelled against him in a complaint made to the building industry task force.

(10)-(11) The building industry task force received a complaint from a contractor in March 1995 alleging improper conduct by a departmental officer in undertaking the preparation of a demolition survey. The building industry task force also received other information in the nature of a complaint concerning the actions of another departmental officer.

(12) A statement was taken by the building industry task force from the contractor.

(13) The statement was made on 9 March 1995.

(14) The Chief Executive Officer of WorkSafe Western Australia was advised of the allegations.

(15) Investigations were conducted by senior executives of WorkSafe Western Australia in liaison with the building industry task force. One officer was found to have committed a breach of discipline of the Public Sector Management Act and departmental procedures. The allegations against the other departmental officer were found to be unsubstantiated.

SENTENCING ACT - SENTENCE ADMINISTRATION ACT, SENTENCING (CONSEQUENTIAL PROVISIONS) ACT, PROCLAMATION DELAY

963. Hon N.D. GRIFFITHS to the Attorney General:

(1) Will the Attorney General confirm that the Sentencing Act 1995, the Sentence Administration Act 1995, and the Sentencing (Consequential Provisions) Act 1995 are waiting to be proclaimed?

(2) Why is there continued delay in proclamation?

(3) When will they be proclaimed?

Hon PETER FOSS replied:

(1)-(3) That is not my recollection. My understanding is that they will come into operation on 4 November.

STRATA TITLES ACT - ADVERTISING, EXPENDITURE

964. Hon JOHN HALDEN to the Leader of the House representing the Minister for Lands:

(1) How much money has been spent to date for the advertising campaign on the Strata Titles Act, including the cost of the full page advertisement on page 8 of today's *The West Australian*?

(2) In what other newspapers have advertisements for the Strata Titles Act appeared?

(3) How much more money is it proposed will be spent for the same purpose - that is, the promotion of the Strata Titles Act - and on what will this money be spent?

Hon A.J.G. MacTiernan: And why is the Minister for Lands' picture on it?

Hon N.F. MOORE replied:

I suppose it is so people will recognise who is doing it.

Hon Tom Stephens: He's the most hated Minister in your Government.

Several members interjected.

The DEPUTY PRESIDENT (Hon Barry House): Order!

Hon N.F. MOORE:

I thank the member for some notice of this question.

(1) An amount of $97 264.55.

(2) The *Sunday Times* and the Community Newspapers Group.

(3) As indicated by the Minister in his second reading speech, the successful implementation of the legislation will in large part be dependent on an effective public education campaign. An estimated amount of $51 000 will be spent on radio and further newspaper advertising to inform the public of the changes that will address its concerns on strata title legislation. This issue has generated widespread public interest and a call for fast action. Now that the Government has provided the solutions and is moving to implement them, it is incumbent on the Government to make the public aware of the changes, even to the extent of running a full page advertisement in *The West Australian*. In addition, once the legislation becomes law, the Department of Land Administration will issue easy to read brochures to help the public understand the changes that we have provided at its insistence. DOLA will also inform the strata industry about the changes through seminars and information booklets. In the longer term, a plain English manual explaining strata title management and ownership will be produced. That was suggested by Hon Mark Nevill. This campaign is to correct the lack of understanding about the ownership of strata title properties that has existed for more than 30 years.

ADVERTISING - NON-CAMPAIGN, EXPENDITURE

965. Hon TOM STEPHENS to the Leader of the House representing the Premier:

On behalf of the waste watch committee, I would love the Government to put full page photographs of Graham Kierath in those advertisements to help our campaign endlessly!

Hon E.J. Charlton: Why?

Hon TOM STEPHENS: Because it would be money well spent.

The DEPUTY PRESIDENT: Order! There is a procedure to be followed in this House.

Hon TOM STEPHENS: I am sorry, Mr Deputy President.

What is the total amount expected to be spent by the Government on non-campaign advertising in the current financial year, and how does that compare with the previous three financial years?

Hon N.F. MOORE replied:

The total amount will not be known until the end of the 1996-97 financial year.

ROCKINGHAM CITY COUNCIL - BOAT HIRE BUSINESS, PORT KENNEDY, LICENCE ISSUED

966. Hon REG DAVIES to the Leader of the House representing the Minister for Lands:

(1) Is the Minister aware that the City of Rockingham has issued a licence to a member of the Western Australia Police Force to operate a boat hire business on vacant crown land at Port Kennedy?

(2) Was the Minister or his department consulted before this licence was issued?

(3) Is the City of Rockingham permitted to issue licences to operate commercial ventures on vacant crown land?

(4) If not, what action does the Minister propose to take?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1) No; however, the City of Rockingham has issued a foreshore traders licence over reserve land vested in the City of Rockingham, north of vacant crown land.

(2) No, there is no requirement to consult on the issue of such a licence.

(3) No.

(4) No action is required.

BARTHOLOMAEUS, NEIL - ACCUSATIONS AGAINST HON ALANNAH MacTIERNAN

967. Hon A.J.G. MacTIERNAN to the Leader of the House representing the Premier:

(1) Is the Premier aware of the report in the *Sunday Times* in which Neil Bartholomaeus, the Chief Executive Officer of WorkSafe WA, is reported as having "accused Ms MacTiernan of undermining safety in the State by moving a disallowance motion for all 300 recommendations in new regulations this week" and in which Mr Bartholomaeus is quoted as then saying "her actions including the total disallowance of the regulations are just political opportunism"?

(2) Does the Premier acknowledge that these statements are prima facie evidence of a gross breach of the Public Service Commission's administrative instruction No 728, which states, inter alia, that public servants speaking in their official capacity should not publicly criticise any political party or its actions or policies?

(3) What action does the Premier propose to take to investigate this matter?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. I regret that I do not have an answer to it yet. I ask the member to either place it on notice or ask it again tomorrow.

POLICE SERVICE - MEMBER FOR EYRE, INQUIRIES

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

(1) Is the report in *The West Australian* of October 1996 that a police spokesman commented on investigations of the member for Eyre correct?

(2) Who is that spokesman?

(3) Is the matter an operational matter?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

(1) Yes.

(2) Detective Sergeant Trevor Porter, official corruption investigation squad.

(3) Yes.

HEALTH DEPARTMENT - AVON HEALTH SERVICE

Clinical Psychology Services

969. Hon KIM CHANCE to the Attorney General representing the Minister for Health:

(1) Does the Avon Health Service have funding for the purchase of clinical psychology services?

(2) If so, what is the extent of the services that can be purchased with the available funding?

(3) What level of clinical psychology services are currently being delivered in the Avon Health Service?

(4) Why is the intended level of service apparently not being delivered?

(5) When is it expected that this situation will be corrected?

(6) Is it correct that the former practitioner withdrew his services due to inadequate support and funding?

(7) What consideration has been given to improving support and funding for psychology services in the Avon Valley?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

(1) The Avon Health Service has a negotiated budget for outpatient/community services under its mental health program.

(2) From February to August 1996 two sessions a week - six hours - clinical psychology services were provided to the region, not just Toodyay.

(3) Nil.

(4) The then practitioner withdrew her services without consultation. She later requested a substantial over the award pay increase, payment of insurance premiums and all leave provisions. By her choice she was a sessional worker and not an employee. Therefore, she was not entitled to those conditions. The increases were denied as she had refused to see patients outside Toodyay, which was contrary to the original agreement.

(5) Currently negotiations are taking place for reinstatement of counselling services for the region.

(6) The practitioner made unreasonable requests. It is not a case of inadequate support and funding.

(7) See (5).

SELECT COMMITTEE ON ROAD SAFETY - DRIVER TRAINING COMPLEXES RECOMMENDATION

970. Hon A.J.G. MacTIERNAN to the Minister for Transport:

The Select Committee on Road Safety recommended that the Government establish driver training complexes in Perth and key regional areas, and that the private sector be involved in the process.

(1) Does the Minister support that recommendation?

(2) What action has he taken to implement it?

Hon E.J. CHARLTON replied:

(1)-(2) There is a need for driver training to be substantially improved in Western Australia, and the establishment of driver training complexes, provided they are effective, is supported. The high cost of training centres makes it necessary for this matter to be properly evaluated. A task force has been established by the Office of Road Safety to examine all driver training needs, including the viability of training centres.

CONSERVATION AND LAND MANAGEMENT, DEPARTMENT OF - THORNTON QUARANTINE AREA, ILLEGAL LOGGING COMPLAINT

971. Hon J.A. SCOTT to the Minister for the Environment:

With reference to my previous question about alleged illegal logging practices in the Thornton quarantine area, in reply to which the Minister said that until a formal complaint is received it is not possible to finalise an investigation, I ask -

(1) Does that mean if the formal complaint is not made, no investigation into this matter will occur or does it mean that the investigation is held up for the moment?

(2) If it means the former, can this question be regarded as a complaint?

Hon PETER FOSS replied:

(1)-(2) No, this question cannot be regarded as a complaint. One of the first things that must be done when dealing with an investigation is to get some detail about who did what, when, who was involved and so forth. I know nothing about the matter because no complaint has been received. The only knowledge I have of this matter is the question the member has asked in this House. An important part of any complaint on which action is to be taken is for a witness to come forward.

Hon J.A. Scott: They have gone around the area with a CALM officer.

Hon PETER FOSS: I understand that no formal complaint has been made. If the member has another question about a measure that is related to an operational matter, I shall be happy to answer it if some notice is given. If the member believes that more information has been given and the witness has made a formal complaint, I will be happy to investigate the matter.

FAMILY COURT - COUNSELLING SERVICE, FEES

972. Hon N.D. GRIFFITHS to the Attorney General:

Can the Attorney General assure the House that no fees will be charged for the use of the counselling facilities at the Family Court of Western Australia?

Hon PETER FOSS replied:

I need notice of that question to determine whether it is even being contemplated.

ADVERTISING - RECYCLING CAMPAIGN; DRUG AWARENESS CAMPAIGN, COSTS

973. Hon KIM CHANCE to the Leader of the House representing the Premier:

Does the Leader of the House have the answer to the question I asked earlier about advertising campaigns? If so, will he provide the answer to the question, which was as follows -

With respect to government advertising campaigns -

(1) What is the total budget for (a) the recycling campaign; and, (b) the drug awareness campaign?

(2) What was the cost of production and printing of the drug awareness campaign advertisements which have appeared in *The West Australian*?

(3) What other forms of advertising are being used in this campaign?

(4) What forms of promotion and advertising are being used in the recycling campaign?

(5) What is the budgeted cost for each form of promotion and advertising in both campaigns?

Hon N.F. MOORE replied:

I thank the member for some notice of this question, to which I now have the answer.

(1) (a) The Department of Environmental Protection is not currently conducting a recycling advertising campaign. However, in June 1996 the Department of Environmental Protection coordinated a recycling education liftout supplement in *The West Australian*, which was very successful. The newspaper space to produce the liftout was provided from the Publishers National Environment Bureau advertising space commitment, which comprised $78 000 worth of advertising space in *The West Australian* for this purpose in 1995-96. The Department of Environmental Protection obtained industry sponsorship totalling $32 000 which was used to cover the costs of producing the liftout and to support recycling promotion and studies.

The Keep Australia Beautiful Council ran television advertising campaigns in July and October of this year to promote participation in kerbside recycling. Two different advertisements were run during these periods. I understand the cost of the July campaign was $15 000, and the cost of the October campaign was approximately $10 000.

(b) An amount of $300 000.

(2) Production costs were $30 000, and scheduling costs between October and March were $146 000.

(3) Billboard $13 000; drug aware booklet $20 000; series of illicit drug brochures - five in series $8 500; posters $4 000; fact sheet series $7 000; magnets $2 500; and T-shirts $2 000. The total is $57 000. I am pleased to note that this important campaign has generated an excellent and appreciative response from members of the public. Already there has been considerable demand for the drug aware booklet.

(4) In addition to (1)(a), the Department of Environmental Protection has supported the in-school recycling education efforts being undertaken by Cleanaway in the metropolitan area, and is supporting the employment of a recycling coordinator for a group of councils in the south west region of the State, as announced by the Minister for the Environment recently, at a cost of $6 000 a year for two years.

The Keep Australia Beautiful Council campaign comprises only television advertising, although both the Department of Environmental Protection and the Keep Australia Beautiful Council produce a range of brochures which in part contribute to recycling education.

(5) See (1)(a) and (3) above.

PRODUCTIVITY AND LABOUR RELATIONS, DEPARTMENT OF - SHAW, ERROL (SHAW FOODS) , UNDERPAYMENT OF WAGES CASE

974. Hon A.J.G. MacTIERNAN to the Minister representing the Minister for Labour Relations:

(1) In view of advice from the Department of Productivity and Labour Relations to Mr Joseph Csanyi that it had difficulty processing his claim for underpayment of wages against Mr Errol Shaw, trading as Shaw Foods, because the firm had not kept time and wages records, has action been taken to prosecute Mr Shaw for breach of his legal obligations?

(2) If not, why not?

Hon MAX EVANS replied:

I thank the member for some notice of this question. The Minister for Labour Relations has provided the following reply -

(1) No.

(2) Mr Shaw maintained records which were not complete. He has cooperated and rectified the underpayment, and has been advised of the correct procedure for keeping records. The department does not believe it is in the public interest to pursue this matter through the courts.

FAMILY COURT - COUNSELLING SERVICE, RESOURCING

975. Hon N.D. GRIFFITHS to the Attorney General:

Will the Attorney General assure the House that the resourcing of the counselling service of the Family Court of Western Australia will not be diminished this financial year?

Hon PETER FOSS replied:

As the member is aware, the Family Court is funded by the Federal Government even though it is a Western Australian court. The State Government is resourced for the amount of money expended and it must keep in line with courts in the remainder of Australia.

A problem arises from time to time when the Federal Government introduces a new fee, which has occurred in some areas. On the basis of the introduction of the new fee, Western Australia is expected to introduce the same fee in its Family Court because the Federal Government will resource Western Australia as though it had done so. I can only wait until I know the intentions of the Federal Government.

This Government has had some arguments with the Federal Government. One of the strange arguments going on at the moment is the Federal Government's refusal to pay the sales tax on judges' vehicles. It is strange in view of the fact that it imposes the tax in the first place. Presumably, either the Federal Government must pay it in respect of its judges' vehicles or those vehicles must be exempt from sales tax. It is a strange application of logic which this Government is fighting. The Government will continue to deal with the Federal Government and will not lightly give up any amount that this State is entitled to receive.

MASTER MEDIA AGENCY - CAMPAIGN ADVERTISING BUDGET

976. Hon KIM CHANCE to the Leader of the House representing the Premier:

(1) Does the Leader of the House now have an answer to my question regarding the Master Media Agency?

(2) If so, can the he now provide the answer?

For his benefit the question was -

> Given that the Premier has under his control the Master Media Agency which coordinates and handles all campaign advertising for Government, will the Minister provide the total campaign advertising budget by Government in 1996-97 compared with the previous three years and the reasons for and total cost of individual campaigns already scheduled in this financial year by the Government?

Hon N.F. MOORE replied:

(1)-(2) I have yet to receive an answer which I consider to be appropriate. When I have had a chance to discuss the matter with the Premier I shall provide the answer.

MINISTERIAL DIRECTIVES - GIVEN TO ENERGY AGENCIES

977. Hon MARK NEVILL to the Leader of the House representing the Minister for Energy:

(1) How many ministerial directives have been given to energy agencies since 1 March 1993?

(2) Will the Minister table a copy of all ministerial directives given to energy agencies under his control since 1 March 1993, other than the directive given to the State Energy Commission of Western Australia regarding the Collie power station dated 3 August 1993?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1)-(2) No further ministerial directives have been given to Western Power or to other agencies since the directive given to SECWA regarding the Collie power station and dated 3 August 1993.