



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
FIRST SESSION
1997

LEGISLATIVE COUNCIL

Tuesday, 24 June 1997

Legislative Council

Tuesday, 24 June 1997

THE PRESIDENT (Hon George Cash) took the Chair at 3.30 pm, and read prayers.

BILLS (2) - ASSENT

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

1. Bank Mergers Bill
2. Bank Mergers (Taxing) Bill

PETITION - PLAYGROUP FACILITIES

The following petition bearing 424 signatures was presented by Hon Derrick Tomlinson -

To the President and Members of the Legislative Council of the Parliament of Western Australia assembled.

We the undersigned, families with young children, residing in the Shire of Mundaring respectfully draw the attention of the House to the issues of moving 4 year old programs out of purpose-built playgroup facilities.

Your petitioners pray that the House will pass a motion recommending the 4 year Old Program to remain in the purpose-built playgroup buildings until the Year 2001, that is until the entry for primary school aged children will change and that the Education Department WA funding for the program continues to be administered by the Community Playgroups Management Committees, as is currently occurring under the Family and Children's Services funding arrangements.

And your petitioners, as in duty bound, will ever pray.

[See paper No 534.]

PETITION - EUTHANASIA REFERENDUM

The following petition bearing the signatures of 717 persons was presented by Hon N.D. Griffiths -

To the Honourable President and members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

We the undersigned residents of Western Australia respectfully commend to the attention of the House that:

1. Every act of euthanasia carried out with the approval of the State necessarily involves a judgment by the State that the person killed had a life that no longer mattered;
2. Inquiries into the legalisation of so-called "strictly regulated voluntary euthanasia" by the House of Lords Select Committee on Medical Ethics (1994), the New York State Task Force on Life and the Law (1994), the Canadian Special Senate Select Committee on Euthanasia and Assisted Suicide (1995) and the Australian Senate Legal and Constitutional Legislation Committee (1996) each concluded that it is impossible to ensure adequate safeguards for voluntary euthanasia and that therefore legalising euthanasia will always create more victims than beneficiaries;
3. A referendum on euthanasia would, if successful, be a substantial step towards legalised euthanasia and therefore any bill for a referendum on euthanasia should be rejected as an attempt to remove the equal protection from intentional killing enjoyed by all Western Australians under existing law.

Your petitioners pray that the House will reject any Bill to legalise euthanasia including any Bill for a referendum for legalised euthanasia.

And your petitioners, as in duty bound, will ever pray.

[See paper No 535.]

MOTION

Standing Order No 303 - Amendment

HON J.A. SCOTT (South Metropolitan) [3.40 pm]: I move -

That Standing Order No 303 be deleted and the following inserted -

At the commencement of each Parliament, the Council shall appoint the undermentioned number of members to serve on the following Committees -

Constitutional Affairs and Statutes Revision Committee	3
Estimates and Financial Operations Committee	5
House Committee	4
Legislation Committee	7
Library Committee	2
Printing Committee	2
Standing Committee on Public Administration	8
Standing Orders Committee	5

That any appointment for the purposes of this Standing Order, shall be by way of resolution and not otherwise.

The reason for moving this motion is very simple. It will bring about a committee system which will reflect the current numbers of this House. It will also allow the members, particularly the members of the new parties in this place, to be appointed members of committees.

One of the recommendations of the Commission on Government was that the influence of the parties should be reduced in this House of Review. One way to do that, even though it will still be done by other parties, is for minor parties to be in a position, as they are in the Committee of the Whole House, to be on committees. Their role will be to put forward their point of view which, on occasions, may differ from the point of view of either or both the Government or the Opposition. It will provide for a more rounded, less conflicting, way to make decisions.

This motion is simple and straightforward. The numbers of members I have chosen to serve on these committees are not what I would have chosen if an arrangement had not already been in place between the Government and the Opposition. Some committees have too many members. In particular, I refer to the Standing Committee on Public Administration. I have been given to understand by the Leader of the House that he will move an amendment to my motion, to which my colleagues and I will agree. My colleague will second this motion to give the Leader of the House the opportunity to move his amendment.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [3.43 pm]: The Government has, without a great deal of enthusiasm, considered this motion in the time it has been on the Notice Paper. The proposal is to change the numbers of members on the various standing committees of the Chamber. I do not know how some of the numbers were arrived at and I am no clearer in my mind having listened to the comments of the mover of the motion. The Government has reached an agreement with the various parties in this House on what can and cannot be done with a committee system. I will not go over what was said last week, for obvious reasons. However, I am disappointed that the Labor Party, the Democrats and the Greens (WA) have chosen to pursue a change to the committee system without this House reviewing the existing system.

I have a motion on the Notice Paper, now an Order of the Day, which is designed to set up a committee of review to look at the total committee system. I am told by members opposite that they are not prepared to wait any longer for the changes they want to the system. That is regrettable. However, I can count and I acknowledge that at some time in the future they will achieve their own end anyway. I have been able to discuss with them some potential processes for this week to ensure the House will continue to operate effectively, efficiently, and properly and, at the same time, put in place a proposition for a committee system.

I propose to amend the motion moved by Hon Jim Scott to change the number after "Legislation Committee" from 7 to 5; to change the number after "Standing Committee on Public Administration" from 8 to 6; to change the number after "Standing Orders Committee" from 5 to 7; and to delete the words "That any appointment for the purposes of this Standing Order, shall be by way of resolution and not otherwise." I propose to do that on the basis that this House will go ahead, assuming that my amendment is agreed to, with the reappointment of the standing committees based upon the new number arrangements.

Mr President, I seek your advice on whether that is possible in view of the wording of the standing order which says "At the commencement of each Parliament". I had not thought about that until I read it a few seconds ago.

The Government is prepared to debate and resolve Motion No 2 this week, but I indicate in advance that the Government does not support it. I understand, as a result of these discussions, that the Government's legislative program will be completed this week on the basis of correspondence I forwarded to the leaders of the various parties. The correspondence outlined what the Government hopes to achieve by the end of the autumn session. I am advised by the various parties that there is agreement to that course of action.

For the sake of the record, I indicate that the Family Court (Orders of Registrars) Bill was not included in the list in the letter I sent to the various leaders because at the time it was not considered necessary to pass it by the end of this session. However, I am advised that the Commonwealth is currently dealing with similar legislation; therefore, it is necessary for this House to deal with that Bill before the end of this session. I am told there is no problem in respect of that matter.

The bottom line is that by the end of this week this House will have put in place the new committee structure that members of the non-government parties seek, debated the motion to establish an ecologically sustainable development committee and dealt with the Government's legislative program. The House will then rise until the spring session commences in August.

Amendment to Motion

Hon N. F. MOORE: Mr President, subject to your advice on whether the changes can be made to Standing Order No 303, which refers to "At the commencement of each Parliament", and assuming this House can appoint members in line with the new numbers, I move -

(1) After -

"Legislation Committee" - To delete "7" and substitute "5";

"Standing Committee on Public Administration" - To delete "8" and substitute "6";

"Standing Orders Committee" - To delete "5" and substitute "7".

(2) To delete the words "That any appointment for the purposes of this Standing Order, shall be by way of resolution and not otherwise."

I understand the arrangement for the Standing Orders Committee is informal. The standing orders stipulate that this committee shall have three members, but on occasions between five and seven members attend the meetings. To formalise the situation, I have moved to make the membership of the committee seven. I have moved to delete the final sentence of the motion for the obvious reason that it will change a longstanding tradition in this House where, if there is to be a contest, members are elected by secret ballot. This part of the amendment will provide for each member to be appointed by motion. Therefore, everybody would know for whom each member voted, which is an undemocratic principle in general terms, and it would deny Mr President a vote. It is extraordinary that a mind in this House could produce such a proposition. It disturbs me greatly that somebody would deliberately put forward a proposal to deny a properly elected member of this House the right to vote on the membership of committees of this House. I assume that Hon Kim Chance is laughing at the audacity of the proposal.

Hon Kim Chance: It was not quite that, but you're not far out!

Hon N.F. MOORE: It is outrageous that such a point of view could be proposed. I can only assume that Hon Jim Scott did not come up with the idea, as it does not sound like his type of proposition. As a consequence of some arrangements made today, I understand that the non-government parties will support the amendment. I look forward to the vote being taken.

Ruling by the President

The PRESIDENT: As I understand it, the Leader of the House seeks advice on whether it is possible to use the terminology "at the commencement of each Parliament" given that Standing Order No 303 reads -

At the commencement of each session the Council shall elect the undermentioned number of Members to serve on the following standing committees:

A clear distinction exists between "Parliament" and "session". As members will be aware, the new Parliament commences with the opening by the Governor on the first day that the two Houses meet following a general election. The parliamentary term continues for a period, in our case, of four years, unless it is ended by early dissolution of the Legislative Assembly. A number of sessions may be held within each term of Parliament, and a new session is also usually opened by the Governor on the first day of sitting following a prorogation of Parliament. In answer to the question, it is proper for the House to consider the phrase "at the commencement of the Parliament" within the motion. The answer is yes.

Also, the Leader of the House moved to amend the motion so that the Standing Committee on Legislation membership be changed from seven to five members. The current membership of the committee is five. I do not see a lot of difference in bringing the motion into line with an existing standing order. In that regard, I believe the amendment is in order.

Debate (amendment to motion) Resumed

HON TOM STEPHENS (Mining and Pastoral - Leader of the Opposition) [3.54 pm]: In seconding the amendment moved by the Leader of the Government, I appreciate the fact that the House is now moving to resolve these issues, although not in the way I wanted.

Hon N.F. Moore: You wanted the original deal, did you?

Hon TOM STEPHENS: I understand that it is also not done in the way preferred by the Leader of the Government; however, this arrangement is an attempt to balance a range of different viewpoints to see what accommodation can be reached.

Three parties reside on this side of the House - both opposition and other non-government parties - and we have had opportunity to consider the matter and have decided to accept the proposal now on the Table from the Leader of the Government.

I thank those members who have contributed to the resolution of this major issue facing the Legislative Council. Much has been said about this question inside and outside the House, including in the media. Pinpointing those who have made a contribution will achieve little, so I will not name all those involved. However, I express appreciation for the useful work carried out by Hon John Halden on behalf of the state Parliamentary Labor Party in discussions with both the non-government parties and, in particular, the Government in bringing this matter to a resolution. I will not prolong debate as I would hate to be caught by the one-hour rule. Perhaps I could speak on everybody's behalf and say that we are delighted that this matter will be brought to a conclusion.

Amendment put and passed.

Motion, as Amended

Question (motion, as amended) put and passed.

STANDING COMMITTEE ON ECOLOGICALLY SUSTAINABLE DEVELOPMENT*Establishment*

HON J.A. SCOTT (South Metropolitan) [3.57 pm]: I move -

That -

- (1) A Standing Committee on Ecologically Sustainable Development is established.
- (2) The committee consists of 5 members.
- (3) The functions of the committee are to inquire into and report to the House on -
 - (a) any matter in Western Australia concerning or relating to the planning for or management, use or development of natural resources and the environment having particular regard to demographic, economic, ecological, technological and lifestyle and settlement factors and concerns; and
 - (b) any Bill or matter referred to it by the House.
- (4) Standing Order 303 is amended by inserting -

Standing Committee on Ecologically Sustainable Development	5
after "Standing Committee on Public Administration	5"
- (5) Standing Order 338 is amended by inserting ", Ecologically Sustainable Development" after "Public Administration".
- (6) Schedule 1 to the Standing Orders is amended by adding paragraphs (1)-(3) of this order under the heading "Standing Committee on Ecologically Sustainable Development".

I understand this motion has the support of the Australian Labor Party and the Australian Democrats. In compiling this motion, my colleague Hon Christine Sharp had to consider many matters. First, people from the Wilderness Society approached us regarding such a committee. The Conservation Council of Western Australia originally proposed a standing committee on the environment with very specific terms of reference, but the Greens (WA) were concerned on a number of fronts about that form of committee. No other committee of this House deals with a single issue or area of government policy, such as the environment. We were concerned that such a committee would

neither pick up many issues which present to Parliament in various forms nor deal with many community issues for which people seek resolution.

When putting together this committee in this form we referred to the state planning strategy, a document put out by the State Planning Commission, which examined the future of planning and development in Western Australia for the next 30 years. We sought to reflect in this motion the issues that were put forward. In spite of the Government not wishing to have input into the wording of the motion and therefore the terms of reference, we tried to pick up the sorts of things the Government proposed in its document. When the Conservation Council and the Wilderness Society first came to us they were seeking not to have a partisan approach based on numbers; they wanted to get the Government equally onside in the move to establish this committee. Unfortunately, for whatever reason, they were unable to have any meaningful discussions with the Government on what the Government would like to see in such a committee, if indeed it would like to see such a committee. I understand now that the Government has quite a few worries about this committee and is concerned that it will be some sort of antidevelopment committee. I very much assure the Government that is not the intention by any means. The Greens see this committee as fulfilling the role that is carried out by similar committees all over Australia, with the exception of Queensland, which has no upper House and therefore a more restricted system of committees; that is, to ensure that the developments that occur are sustainable in their own being and also with the ecology in which we live and without which we cannot live. It is very interesting that any person could possibly go against the idea that whatever developments we have in this State should be sustainable. It is ridiculous that we should encourage development which is not ecologically sustainable.

The third clause of this motion states -

The functions of the committee are to inquire into and report to the House on:

- (a) any matter in Western Australia concerning or relating to the planning for or management, use or development of natural resources and the environment having particular regard to demographic, economic, ecological, technological and lifestyle and settlement factors and concerns . . .

That, of course, reflects the economic and ecological side of the issue and also, importantly, it looks at the lifestyle and settlement factors, which are quite often neglected in this place. There is little opportunity for either the public or members of this place to ensure that those lifestyle and settlement factors are taken into consideration in a holistic way in the many developmental changes that are occurring in this State. One of the issues that I have put to the Leader of the Government, which I would like to see looked at by this committee, has a very important economic effect; that is, the strategic use of energy in this State. The reason I would like that issue to be looked at is that nobody is looking at it at present. The Department of Resources Development said in discussions that it had no strategic use of energy planned for the next 30 years because it believed there was plenty of oil and gas to be found. However, I and a number of my colleagues in the Greens (WA) party have conducted considerable research into this matter with the help of the world's foremost consulting group on the petrochemical industry, Petro Consultants. It has supplied us with information. One of our members, Brian Fleay, put together a submission on the Green Paper on sustainable energy, in which the Federal Government is currently involved. The information from Petro Consultants tells us that we will face a severe energy shortage worldwide well within the next 30 years, yet we are doing nothing at present to ensure that we move to industries which are less energy intensive and which will give the people of this State a prosperous future if we encourage them. I am very concerned that planning of our cities, industries and agriculture, which use large amounts of liquid hydrocarbons, is not being looked at by anybody. In 20 years' time I do not want to see a situation where we are unable to carry out agriculture because we have not changed with the times; where we cannot use the many highways in and around the city because we do not have liquid hydrocarbons; and where the industries we have promoted are unable to keep going because they have no energy to drive their furnaces.

This committee can play many valuable roles. Without dragging out the debate, I point out once again that it would be folly for any Government in its planning not to be looking at ecological sustainability. It will be one of the key issues early in the next century. We are moving to ensure that this House is kept up to date and aware of the need for change. We see that need for change every day in the newspapers. We know that currently Western Australia, along with the rest of Australia, is threatened by rising greenhouse gas production. We have been given veiled but very definite threats by Europe, the United States and Japan about trade embargoes if we do not pull our socks up. We must address these issues, which are not being addressed anywhere else. I hope that the Government is not blind to the need for such a committee; people on this side of the House are not. I look forward to a committee being set up which does not operate in a way which is designed to frustrate the Government, because that is certainly not our intention by any means, but which will operate to promote the growth of new types of development in this State based on new knowledge that will be brought into this Parliament and which will help shape the future planning of our cities and enhance the work which is done in this place.

HON CHRISTINE SHARP (South West) [4.10 pm]: I have great pleasure in seconding this motion, because ecologically sustainable development is of fundamental significance to the future of not only our planet and State but also this Chamber. It is extraordinarily important that this Chamber deal with matters which are at the forefront of modern debate and are of concern, particularly to the youth of our State. I will not say a great deal now because my inaugural speech was about this matter, but I note that in undertaking this work, this Legislative Council will be joining people from all over the world who are working on the same agenda. The United Nations Council for Sustainable Development has been set up since the Brundtland World Commission on Environment and Development introduced the term "sustainable development". The second global environment conference, Earth Summit, which was held in Rio de Janeiro - the third is currently being held in New York - set up the Agenda 21 program to achieve sustainability through local government. Two weeks ago in Newcastle, New South Wales, local councillors from all over Australia, including Western Australia, put their minds to working out how to achieve ecologically sustainable development at local government level.

Public agencies within this State are also discussing this issue. As Hon Jim Scott informed the House, by and large the concept for this standing committee was taken from the strategy of the State Planning Commission, and we have embellished slightly what the State Planning Commission intends to do. Similarly, the Department of Environmental Protection conducted an administrative review two years ago, which set up a new division called environmental systems management to look at the carrying capacities of different ecological systems in Western Australia - for example, the capacity of the Perth air shed, or of the coastal waters - and to provide the base data for work on defining sustainable development and extend the research which has been done for the metropolitan area into rangeland management and eventually to all the ecological systems of the State.

The Federal Government has been working on ecologically sustainable development for some years and has in place working group processes. Last but not least, the community is discussing this issue. I am sure every member of this place will know of a group of community members that is working on ecologically sustainable issues in some shape or form, whether it be recycling or one of myriad different activities. We are starting to network globally with people who are concerned to preserve the economic wellbeing of society and bring that into line with the ecological wellbeing of our planet. That will be a major agenda for the next century.

With the exception of Queensland, which has no upper House, every other Parliament in Australia has a committee of a similar nature that is examining the nexus between planning, natural resource management and the environment. The Federal Parliament has the House of Representatives Standing Committee on Environment, Recreation and the Arts; the Australian Capital Territory has the Legislative Assembly Standing Committee on Planning and the Environment; New South Wales has the Legislative Council Standing Committee on State Development; the Northern Territory has a Sessional Committee on the Environment; South Australia has a Joint Standing Committee on Environment, Resources and Development; Tasmania has the House of Assembly Select Committee on the Environment, Resources and Development; and Victoria has the Environment and Natural Resources Joint Investigatory Committee. Therefore, we will be joining with Parliaments throughout Australia, and I am sure our work will be informed by the work that people are doing elsewhere; for example, the exciting energy conservation work which has been undertaken by the ACT committee.

As my colleague Hon Jim Scott has said, this is not an antidevelopment committee. We believe those economies that lead in green economics will lead the economies of the twenty-first century and those that do not rise to the challenge will be left behind with regard to not only environmental degradation but also economic wellbeing. A superb example of how development can provide economic benefits and also sustain the land, and one that is also very close to home, is the LandCare movement in Western Australia. Farmers in this State have voluntarily done amazing work to repair their land and look at innovative possibilities for improving their economic wellbeing. That is just the beginning of some of the farm forestry proposals that are being developed and is giving us some idea of how many jobs can be created. It is no coincidence that the theme of the next World Fair, which will be held in Hanover, Germany, in 2000, will be sustainable development.

The national report of the Republic of Korea to the 1992 Earth Summit concluded that -

The biggest market of the future, and the biggest economic opportunity of the 1990s and the early 21st century, is likely to be the repairing, management and protection of the global environment in the interests of future generations of humans and other species. . . . Korea . . . aims to ensure that continued economic prosperity is built on an economic and industrial system which is appropriate for a middle level economy in a cleaner, greener and global era of the early 21st century. The challenge is to design the way to an ecologically sustainable future in the 21st century. This . . . requires imagination and creativity to envisage what is needed, and what an ecologically sustainable future might look like, and it also requires enterprise and organisational cohesion to achieve it. If Korea can achieve this, it will be able to do both itself and the Earth a favour.

The idea is not permanent growth, but growth in the sense of change, as I discussed in my inaugural speech in this Chamber, and of how nature grows; that is, changing with the times, changing our notion of what development consists of and expanding our analysis of it. Some of the legislation that comes before the House can be referred to this proposed committee and reviewed. The committee can also review wider areas of government policy; for example, the salinity action plan, which involves the use of enormous resources to achieve the reparation of land affected by salinity. So far that policy has received very little scrutiny, although it is of huge significance and requires enormous financial expenditure. A review of that program by the committee would be very beneficial.

We would also like to consider areas for which there is no government policy, such as the continued growth of the population of Perth. Do we wish to put a lid on the population growth of Perth? Between 1901 and 1991 Perth has grown from having 31 per cent of the population of our State to having 73 per cent. Is this concentration of population sustainable? These are very important questions.

We will be not only reactive to policy by analysing and reviewing development programs, but also proactive in looking at areas for development. One area which could be of enormous benefit to regional Australia is the potential for a proactive, creative and imaginative strategy for the development of the clean food industry. We already have a strategic advantage in this industry in Australia, because of our relatively clean environment. We are marketing our food as being cleaner food than that obtainable elsewhere, but it is cleaner more by luck than by good judgment. We do not have in place any policies to improve our act, to make sure that by producing some of the finest food in the world, we will be at the forefront of the global food market at the beginning of the next century.

The establishment of this committee will give members a chance to be involved in work which is extremely exciting, challenging and innovative, and I commend the proposal to the House.

HON NORM KELLY (East Metropolitan) [4.23 pm]: The Australian Democrats support the establishment of a committee on ecologically sustainable development. From the beginning we have been involved in trying to put together a set of guidelines for such a committee, which would embrace not only the wider environmental concerns but also resource development concerns in this State. It is important to examine not just the economic potential of developments that are occurring in this State but also their ecological, environmental and social impacts. Since I entered this place I have seen state agreement Bills presented for which there has not been sufficient input in the early stages. When these agreements are proposed it is important that there be wide ranging input from various sections of the community about whether these proposals get off the ground. We must consider both the social and environmental impacts of these developments.

Ideally this committee will comprise a member from each of the five parties in this House. It has always been our view that this committee should take into account the views of people from all parties. It is important to avoid rubber stamping or rejecting state agreements, and this composition of the committee is one way of addressing those concerns. At the moment government agencies, such as the Department of Environmental Protection and the Environmental Protection Authority, assess portions of projects, but not the wider implications when the projects take off. I wholeheartedly commend the proposal to establish this committee to the House.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [4.26 pm]: I have been waiting for members of the Australian Labor Party to jump up and demonstrate to the House that they are greener than members of the Greens (WA) and the Australian Democrats. It has been an interesting exercise to watch all members from the non-government parties trying to be greener than the others. I suppose that is the nature of politics these days. I look forward to those in the ALP telling us how really green they are; that they are much greener than the Democrats and the Greens, and that they are the defenders of the environment. I am looking forward to hearing that speech so that I can say that all non-government members are following that line, and that is why they are getting together to tell us that we need a committee of this House to look at ecologically sustainable development.

Hon Kim Chance: Thank you; that is very kind of you to say so.

Hon N.F. MOORE: Hon Norm Kelly is very pleased that each party will have one member on the committee, regardless of the number of votes the parties received at the election or how many members they have in the House. In his argument, it is fair and reasonable that the Democrats and the Greens, the Labor Party, the National Party and the Liberal Party should each have one vote on this committee, regardless of the fact that the Liberal Party has 14 members, the Labor Party has 12 and the others have varying numbers.

Hon Kim Chance: It is a bit like the Electoral Act really.

Hon N.F. MOORE: For those who argue for proportional representation, and there are those in this House who do, this is about as far away from that as we can get. We are being told how important this committee is to the future of Western Australia, yet it is interesting that the government parties are being offered only two of the five positions on the committee, notwithstanding that they have half the number of members in this Chamber. That issue seems

to have been forgotten by a number of people who speak about committees in this House. They have forgotten that we have 17 of the 34 members; that is, half. The fact that the President does not get a vote is more a quirk of the Constitution than a result of the election. The election gave us 17 members in this Chamber and also the highest number of members in the other Chamber since the First World War. It demonstrates that the Government was re-elected resoundingly. Those who think that because they have 5 per cent of the vote they can use this Chamber to promote their particular point of view should realise that they are representing a very tiny number of direct votes.

Hon John Halden: Are you talking about the National Party?

Hon N.F. MOORE: I am talking about those parties that have very low numbers. Hon John Halden can draw his own conclusions from that.

The Government is opposed to this motion for a number of reasons, as I have explained to those with whom I have discussed this issue. We are not opposed to ecologically sustainable development per se, but we are opposed to what is being sought to be done here today. We will not be going beyond the time limit of one hour for this debate, but the matter will be resolved before the House rises this week.

I argued the other day that we have never set up a new standing committee in this Chamber without the House at least having an opportunity to contemplate whether it wanted to have a new standing committee. The history of the committee system in this Chamber will show that to be the case.

[Debate adjourned, pursuant to Standing Order No 164.]

TREASURER'S ADVANCE AUTHORIZATION BILL

Second Reading

Resumed from 12 June.

HON TOM STEPHENS (Mining and Pastoral - Leader of the Opposition) [4.31 pm]: This Bill represents the Government's financial supplementation program for this financial year and sets the limit for 1997-98. I had the opportunity of hearing from, I think, an Assistant Under Treasurer on this legislation last Thursday afternoon when I was busy with a range of issues. I was advised how important it was this legislation be passed as quickly as possible. I was advised that supplementation was required to provide additional funding for new items and excesses prior to 30 June. If the additional funding were not authorised by the Bill when the overall limit of \$200m was reached many agencies would be unable to make payments. Key agencies that would be affected include Education, Police, Health, Justice and Transport, to name a few in the note I received at that time.

I was advised that the critical point would be reached on 26 June, the public sector payday, two days away. I was told that insufficient funding would be available for this without the proclamation of this legislation and that key workers such as school teachers, police officers and nurses would not legally be able to be paid. The impact would not be restricted to public sector employees. No affected agency would be able to pay any of its accounts. Transport, for example, would be unable to pay bus contractors providing metropolitan transport. The courts and prisons would be affected and many small and large businesses would not be paid for goods and services provided in good faith.

It is also notable that, according to the notes with which I was provided, members of Parliament, whose salaries are paid from a special standing appropriation, would be immune from the consequences of any actions taken by this House which resulted in delay of this Bill.

This reminded me of exactly how important is the management of the Parliament's legislative agenda. I did not want this opportunity to pass without making reference to the situation with which the House is now faced, not to make a mountain of it, but to make passing comments about what we have been left with as a result of the processes that have been unleashed since the last state election.

Many parliamentary weeks have passed, many of which were dominated in this Chamber by the Government's indecent obsession with trying to change the labour laws of this State prior to 22 May. As a result of that obsession the Government derailed much of its own legislative agenda and is now left with only two more sitting days of this session and a Bill such as this urgently needing to be passed to avoid wreaking major disruption on the State Public Service, with public sector employees unable to be paid this Thursday.

I am concerned about that situation. The Government put it to me that that was why the Opposition should not try to press the Government too hard with its non-government agenda. I was advised that if we tried to force the Legislative Council to deal with the non-government agenda we would not have time to deal with this most urgent Bill. We were urged to give up our agenda and quickly and quietly get this Bill onto the Notice Paper, then immediately off the Notice Paper, then through the Parliament and proclaimed.

Not long ago you, Mr President, the Leader of the Government, Hon Barry House, Hon John Halden, our former colleague Hon Doug Wenn and I saw a log jam develop in the Sacramento Legislature of the State of California. We visited that Legislature as part of the work we were doing for the preparation of the thirty-sixth report of the Standing Committee on Government Agencies. The log jam developed as a result of the Executive of the State of California seeking to pass its budget Bills through a Legislature which had its own agenda. The Californian public sector and other providers of government services were faced with no funds being available to pay for normal government expenditure involving both employees and contracts throughout the State. A major crisis was in place because that Legislature was at odds with the Executive. It was a slightly different situation from here because its Executive is not in any way rooted within the Legislature. It is of course separated by the way the United States has established its system of government.

Nonetheless, some parallels have occurred here in Australia, at least in 1975, where the Supply Bills of the Senate faced being blocked and delayed, thereby causing the Government to explore ways of paying its public sector employees separately from the normal arrangements. That led to the crisis which saw the Governor General conclude that it was his right to sack the Government of the day and to force the Government to the people.

We are in no such crisis here in this State. We understand the opportunities available to this very powerful Legislative Council under its constitutional entitlements as a House. However, the Labor Opposition and, as I understand their philosophies on these issues, the non-government parties are not locked into a strategy that would want to see a repeat performance in Australian politics of that 1975 experience.

However, now that a non-government majority in this House is trying to reach a resolution of its agenda, suddenly everything is placed on the Table. That will not remain the case for very long. The Labor Party supports the speedy passage of this Bill. However, this is an extraordinary situation by anyone's standards, even by those of the past 15 years when such Bills landed in the Chamber very late in the day. This situation takes the cake. When we were in government -

Hon Max Evans: I will explain the difference.

Hon TOM STEPHENS: I look forward to that. When we were in government, Joe Berinson - perhaps for his own reasons - increased pressure on the then Opposition -

Hon Max Evans: He was dealing with a very different Opposition.

Hon TOM STEPHENS: That would explain one difference, but Joe Berinson regularly applied pressure on the then Opposition to ensure that the Opposition's agenda did not become too ambitious. The House did not have all the freedom of leisurely treatment of its agenda over those 10 years of Labor Government. I cannot recall a similar occurrence to this -

Hon N.F. Moore: You have a selective memory.

Hon TOM STEPHENS: Perhaps it is simply a faulty memory -

Hon N.F. Moore: It is selective. One of these days I will outline what we endured when you were in government.

Hon TOM STEPHENS: I look forward to that also. If my memory is selective, it is not wilfully selective -

Hon N.F. Moore: I am not suggesting that.

Hon TOM STEPHENS: I am trying to recall a similar occurrence during our 10 years in government -

Hon N.F. Moore: We used to handle budget Bills in the middle of December!

Hon Max Evans: Supply Bills kept us going until January!

Hon TOM STEPHENS: I cannot recall any occasion during those 10 years when the then Government demanded that the Opposition expedite the passage of a Bill this way. My first advice was that the Bill would need to be dealt with by Thursday. Then the suggestion was that Tuesday - that is today - would do.

Hon Max Evans: It was always Tuesday.

Hon TOM STEPHENS: The suggestion was that Tuesday would do, and that was the first I heard that the Bill required such urgent treatment. I was surprised when the suggestion was made in the corridor. I did not know that the issue was so urgent. I was keen to discover the process that would ensue. I suppose the Government will want this Bill to be passed rather quickly this evening, and it will go the way of all other Bills and disappear into the machinery of the Chamber. It will be organised to become a message to the Governor in double quick time. I hope that someone has alerted the Governor to be up with his candle tonight and, if necessary, to don his dressing gown,

and have his quill and ink at the ready to sign the Bill quickly. I am told that if that signature is not obtained, presumably from the Governor in Executive Council, the public sector employees of the State will not receive any pay this Thursday. There will not be enough money in the banks to pay the police officers, teachers and nurses -

Hon N.F. Moore: This Bill provides authorisation. The money is in the bank.

Hon Max Evans: It is a quirk of the Westminster system.

Hon N.F. Moore: The Bill will not create millions of dollars; if it did, we would pass such a Bill every week.

The PRESIDENT: Order!

Hon TOM STEPHENS: I am correct in saying that if the Bill were not passed quickly, the Government would be acting illegally if it drew on the accounts at the bank. That is the reason the Bill must be proclaimed and enacted in double quick time tonight. I tried to check when the next Exco meeting will be -

Hon Max Evans: Any day that we like.

Hon TOM STEPHENS: I have been told that the next Exco meeting will not be until 27 June.

Hon Max Evans: I have heard that special Exco meetings can be called at a moment's notice to allow Aboriginal people to leave gaol to attend their father's funeral. Meetings can be called if and when required.

Hon N.F. Moore: If you want to delay this, keep talking!

Hon TOM STEPHENS: I do not.

Hon N.F. Moore: You don't sound very enthusiastic.

The PRESIDENT: Order! We are listening to the Leader of the Opposition.

Hon TOM STEPHENS: We support the passage of the Bill. However, on its way through, I want to give the Government a flick -

Hon N.F. Moore: With respect, the Bill has been here for one and a half weeks, and in normal circumstances it would have been dealt with in plenty of time to meet our requirements.

Hon TOM STEPHENS: In normal circumstances, it would have reached this House much sooner had the Government not been preoccupied with other issues. As well, the Leader of the House placed us under some pressure to deal with the Government's other agenda items.

Hon N.F. Moore: If that puts you under pressure, you are easily pressured.

Hon TOM STEPHENS: We are a compliant and cooperative Opposition -

Hon Kim Chance: And helpful to a fault.

Hon TOM STEPHENS: Many members on this side of the House have a real passion to oblige the Government as much as humanly possible. We will accommodate the Government with our speedy passage of this Bill this afternoon. However, I take the opportunity of saying that I hope that in sittings of this House after the winter break, we will move quickly to better processes and better management of the business of the House. I hope we will not get ourselves into the same situation we faced recently. We have every opportunity to lift our game.

Hon E.J. Charlton: If at the beginning of the week we were to provide a list of legislation which we expected to be dealt with by the end of that week, would that be the way to proceed?

Hon TOM STEPHENS: We would like to see such a list. About a fortnight ago the Leader of the House indicated which legislation he wanted to put through by the end of this fortnight. There has been only one addition since then, relating to Family Court legislation. I do not know from one moment to the next what the Leader of the House will seek to bring on. I cannot tell my members what to prepare for, because I genuinely do not know. It is only when the Leader of the House rises to speak that we become aware of what he wants. Those are the courtesies that we must address very quickly, otherwise we will become locked into awful situations which could have been avoided. I have shown some real determination - I hope to see the same determination by the Leader of the House, now that we are perhaps over the worst of it - to get on and address that issue.

With this Bill the Government has demonstrated a cavalier approach to the handling of its employees. Since the Government has been in office it has often made amendments to legislation governing the public sector that demonstrate a disdain for its employees. It has demonstrated that yet again in the way it has handled this legislation. If the Opposition had not suddenly obliged the Government by agreeing to pass this legislation, government

employees and contractors who deal with government would have faced the prospect of not being able to gain access legally to their wages this week, because this Bill will extend the ability of agencies to pay their accounts. As such, it will affect all those who conduct business with those agencies. Businesses that deal with government agencies, bus contractors, courts and prisons would suffer if members did not pass this Bill. The Opposition does not dispute that this legislation is of great importance - it is. If we did not pass it, it would be extraordinary, because that would be major -

Hon Max Evans: Political suicide.

Hon TOM STEPHENS: Perhaps, although the Legislative Council does not have to face the people; it is the political suicide of only those at the other end of the building that we must worry about.

Hon Max Evans: You've worked that out, too, have you?

Hon TOM STEPHENS: It raises the question of whether members in this place should be left with the power to block Supply for money Bills.

Hon Max Evans: I think you'd enjoy it. You wouldn't want to lose that power.

Hon TOM STEPHENS: The Leader of the Opposition, Dr Gallop, is one of those opposition members who have argued for the removal of that power from this House.

Hon Max Evans: He's in the other place.

Hon TOM STEPHENS: We would not want to add to the discomfort this Government has already caused to thousands of hardworking people in this State and to its employees. That is why the Opposition will help the Government pass this legislation forthwith. As members will fully appreciate, we are a completely responsible Opposition that would not contemplate endangering people's welfare in that way. However, the Government can make no such claim about itself. Instead of prioritising important legislation that has support from all sides of this House members opposite have prioritised legislation that has no support in the community. I refer, of course, to the Labour Relations Legislation Amendment Act. That legislation would have limited support in this House if it were to raise its ugly head again. The Bill before the House took two months to pass through the other place and was introduced in the Legislative Council just a week and a half ago.

Hon Max Evans: It was introduced in the other place on 9 April. Last year it was received in this place on 16 May and it was still through by 30 June.

Hon TOM STEPHENS: It was in the Legislative Assembly for about two months.

Hon Max Evans: As soon as they finished with it in the other place, it came here.

Hon TOM STEPHENS: However, it took at least two months to get through the other place. There would have been time to deal with this Bill had the Government not been obsessed with ramming its third wave of industrial relations legislation through the Parliament before this democratically elected Chamber took its place. This is yet another example of the Government placing in jeopardy thousands of Western Australians because of its ideological fervour. The Opposition has always maintained there are more pressing problems in Western Australia than those associated with labour relations. Today members see proof of that with the Bill before the House. The Leader of the House has a responsibility to manage the Government's legislative timetable, and we have seen him display once again the difficulties that management style presents.

Just a week ago I was advised of the 13 pieces of legislation the Government wanted passed before the end of the session. The Opposition was not told the order in which they were to come up. Now we are told we must expedite this Bill today - and if we do not, the Leader of the House will blame us. The blame lies well and truly with the Government. It had the choice whether to prioritise this legislation, but it shirked its responsibility to public sector workers and to all of those who receive services from that sector who would be affected by our not passing this legislation.

It may be that the Government simply does not care because it knows that even if the Bill were not passed, at least its Ministers and members of Parliament would be paid. On behalf of the Labor Party, I indicate that is a grave concern to the Opposition. Although that might exemplify the attitude of the Western Australian Liberal Party to the workers of this State, it does not reflect the Opposition's attitude to that same work force. Charles Kingsley said that every duty that is bidden to wait comes back with seven fresh duties at its back. Members opposite should dwell on that remark, because how true it is for the Leader of the House. We have heard him complain innumerable times about the burdens of his situation.

Hon N.F. Moore: I do not complain at all.

Hon TOM STEPHENS: The Leader of the House is always saying he does not have time to meet the non-opposition parties.

Hon N.F. Moore: On one occasion, I did not.

Hon TOM STEPHENS: All I am saying is let us have a fresh start, a new beginning -

Hon N.F. Moore: I'll just give away everything else I do so I can answer your questions? Go and jump in the creek.

Hon TOM STEPHENS: We have the opportunity of a fresh start.

Hon Simon O'Brien: You had a fresh start last Tuesday.

Hon TOM STEPHENS: When we get these issues behind us, we will have the opportunity, after having a break from each other in the Chamber and a break from the Parliament, to come back reinvigorated by the challenges of our electorates and of Western Australia. We will know we can make this place work to achieve the orderly processing of the legislation that is of importance to the people of Western Australia.

The Opposition has no hesitation supporting this Bill. We take our responsibilities to the public of Western Australia seriously. The way this legislation has been dealt with throws into doubt the Government's claims that it has been a good economic manager, because it cannot manage even the processes by which Bills that are of fundamental importance to the state economy come before the Parliament. This process completely destroys any credibility the Government has had in the way it manages this House. The net result of this legislation is an admission from the Government that its estimated expenditure for this year in key portfolio areas was out. This Bill seeks additional expenditure to enable departments to operate; that is, \$20.7m for the Education Department, which is roughly 2 per cent of its budget; \$10.6m for the Police Department, which is roughly 3 per cent of its budget; \$10.5m for the Department of Resources Development, which is 30 per cent of its budget; and \$9.7m for Agriculture Western Australia, which is 10 per cent of its budget. That raises questions of mismanagement on the part of the Government that it must address. Although the percentages may not seem large, we are still dealing with substantial sums of money, as I hope even the Minister for Finance will agree. It is an amount of money that should not be just frittered away due to the incompetence of departments or of the Ministers in managing their budgets.

Hon Max Evans: Ask your speech writer to see me.

Hon TOM STEPHENS: He looks forward to the Minister's reply. An amount of \$100m out of the State's Budget of \$7b may not seem too much - perhaps a drop in the ocean - but it is a fair indication that the last Budget was sold on rubbery figures. This Bill testifies in part to that. Overruns and mismanagement of finances have led to this legislation. The irony is not lost on the Opposition that mismanagement and overruns have led to the passage of this legislation being run down to the wire. I hope processes will be put in place that guarantee the public sector is not placed at risk. I hope this Bill will be enacted so the ordinary needs of the State are met and are not placed at risk despite the mismanagement of the Government.

HON MARK NEVILL (Mining and Pastoral) [5.00 pm]: The Opposition supports the Treasurer's Advance Authorization Bill. It operates under section 8 of the Financial Administration and Audit Act, and under the Treasurer's Advance Authorization Act. The latter Act specifies the limit to which the Treasurer can draw on the public bank account for the purposes of the account. The amount of \$200m specified in clause 4 of the Bill is the same as that specified in the last five Bills of this nature. Clause 5 defines the purposes for which the money can be paid or advanced. The limit expires on 30 June 1997. Money can be paid or advanced under this legislation for three purposes. First, it allows the Government to make payments of an extraordinary or unforeseen nature and that amount is charged to the consolidated fund.

[Questions without notice taken.]

Hon MARK NEVILL: The Treasurer's Advance Account allows the Treasurer to provide funds for the temporary financing of works and services of the State or officers of public authorities, including advances to public authorities, and the purchase of stores. It also gives the Treasurer the ability to make advances for temporary works and services undertaken by the State in conjunction with the Commonwealth and local authorities.

The Treasurer's Annual Statement No 6 is outlined on page 122 of the Treasurer's Annual Statements which were published last December. Statement No 7, on page 123, lists the unrecouped advances. I have a couple of questions for the Minister and I am not sure whether he has the answers to them. Provision is made for an allocation of \$300 000 to the Chemistry Centre (WA). Will the centre require another advance this year, or is the Chemistry Centre self-funding from net appropriations? An amount of \$161 000 is allocated to the education master lease. Will the Minister indicate what that is for? I do not know whether the Government has sold Silver City.

Hon Max Evans: The State Superannuation Board owns it.

Hon MARK NEVILL: An amount of \$286 000 is allocated to the Ministry of Justice's salary clearing account and \$274 000 is allocated to the selection of a chief executive officer by the Public Sector Standards Commission. If the Minister has any details on those figures, the information would be appreciated.

The overruns which are listed in the Minister's second reading speech are of interest. Education is \$20m, and I presume that was required for salaries.

Hon Max Evans: I have the details on all the cost overruns.

Hon MARK NEVILL: The amount that surprises me is \$10.5m for the Department of Resources Development.

Hon Max Evans: I have the information on that also.

Hon MARK NEVILL: I would like the Minister to outline what those overruns comprise.

HON MAX EVANS (North Metropolitan - Minister for Finance) [5.37 pm]: I thank the Opposition for its support of this Bill. The Treasurer's Advance Account provides for special advances which normally are recouped. A problem arises if the money cannot be recouped. Approval for a Treasurer's Advance is not by Executive Council, but by special royal consent. The imprest account has always operated. Hon Mark Nevill is aware that previously the Government Printer and the Building Management Authority required a Treasurer's Advance to purchase stock.

Last year the budget Bill was introduced on 5 May and this year on 10 April. The Treasurer's Advance Authorization Bill is separate from the budget Bill. The practice adopted by the Parliament when the coalition was elected to office in 1993 was for the budget Bill to be introduced at the end of August and passed at the end of the session, in December. To save time in this place the budget papers have always been debated before the budget Bill has been introduced.

Hon Tom Stephens referred to not holding up the procedures of this House and mentioned Hon Joe Berinson. In his time a Supply Bill was passed before the end of June and it provided funds for recurrent and capital expenditure to the middle of January. That gave the Parliament time to pass the Appropriation Bill before the end of December. I recall that we did not encounter monetary problems with the Supply Bill. In Hon Joe Berinson's time the Treasurer's Advance was \$150m and this Government increased it to \$200m. A problem would not be encountered if it were increased to \$300m.

When I first came to this House, as Hon Mark Nevill knows, the Budget and the Treasurer's Advance Account Bills passed through the House in about five minutes. However, the Estimates Committee was established a couple of years later - the first year in which Hon Joe Berinson answered all the questions, with the help of advisers, on these issues. The expenditure questions were divided among the three Ministers in this place at the time. The Assembly then followed the pattern of our Estimates Committee. Discussion was not held on these matters in this House before I raised these issues in 1989 or 1990 as previously the Bills were simply passed and returned to the other House.

The second reading speech for the Treasurer's Advance Authorization Bill was given last Thursday week, 12 June; therefore, it could not be debated until 19 June under the seven day rule. Time was wasted in this House on that day on, among other matters, a motion to suspend standing orders, despite the fact it required an absolute majority and it was known it would not pass. This, and other legislation, could have been handled last Thursday without that time-wasting.

Budgets Bills in other States pass through Parliament fairly quickly before the end of June. In 1994, WA was the first State in Australia to bring the Budget to Parliament before the end of June, and Hon John Dawkins followed, introducing the federal Budget, for the first time, around that time of the year. Victoria followed suit, and most States now follow that procedure. Last year, the Federal Government brought in its Budget later in the year as a result of the date of the election that year. I started the pattern in 1993-94 to bring down the Budget before the end of June. Last year was the first time that the Budget had been passed before the end of June, but this creates a problem if one does not have a Supply Bill as one can run out of money.

For the benefit of new members, I indicate that the Financial Administration and Audit Act gives the Government supply of money until 31 August. The amount allocated is the equivalent of one-fifth of the previous year's Budget. In other words, the amount provided for those two months, which is one-sixth of the year, is one-fifth of the previous year's allocation. Appropriation Bills No 1 and No 2 must be passed by 31 August or the Government will run out of money. Hon Tom Stephens indicated that if members stopped Supply, the other House, but not the Legislative Council, would go to the people, as is outlined in legislation.

The Education Department had an expenditure overrun of \$20.7m. As other speakers mentioned, advances are made from the Treasurer's Advance Account because federal money is placed into accounts as revenue, but an Appropriation Bill is necessary to expend that money. There is no such thing as a contra payment in government financing. In general accounting, if one receives \$1m, one has a contra and pays the money out again. The Treasurer's Advance Account enables one to spend that amount, but with a \$200m ceiling. A lot of money is turned over, and this account pays out the money which is returned at a later stage.

Additional commonwealth-funded expenditure of \$6m was offset by revenue in the Education Department. Revenue came from the Commonwealth, which caused \$6m to be paid out. In my language, that is called a contra. In the technology-in-schools project, expenditure on computers in schools was transferred from the capital budget to the recurrent budget, and the amount offset by savings in the capital works budget was \$6.6m. Appropriation Bill No 1 deals with recurrent expenditure, and Appropriation Bill No 2 deals with capital expenditure. One can transfer the money across in certain conditions, often depending upon whether matters relate to capital or recurrent expenditure. If one makes the payment from recurrent expenditure in such circumstances, an appropriation is needed from the Treasurer's Advance Account.

Another expenditure overrun resulted from the reappropriation of school sale proceeds to the school rationalisation account, which was offset by the proceeds of sales which were paid to the Department of Land Administration's revenue. In other words, \$6.5m went to DOLA. The school rationalisation account holds the money from the sale of property so the Minister can determine how the money might be used. Prior to the system applied by this Government - this applies not only to the Education Department - proceeds from property sales went straight into the consolidated fund to be used for the running cost of government. However, the school rationalisation account, like many others, must now be used to repay debt or for capital expenditure. We have put a tight control on Ministers so money is not simply directed to recurrent expenditure.

The sundry variations in the Education Department's expenditure amount to \$1.6m, resulting in a total of \$20.7m.

The Police expenditure overrun was \$10.6m, comprising \$8.2m for the additional expenditure on the commonwealth-funded gun control program, which again was offset by revenue. In other words, the Federal Government gave us \$8.2m but that amount had to be paid out, and this provision makes the contra payment. The police early retirement scheme's severance payments resulted in a \$2.8m overrun; the vehicle immobiliser scheme resulted in a \$1.1m variation; and the sundry variation was an underexpenditure of \$1.5m. Therefore, the total Police expenditure overrun was \$10.6m.

In answer to Hon Mark Nevill's questions, the Department of Resources Development had an expenditure overrun of \$10.5m, including a rebate of stamp duty to Broken Hill Proprietary Co Ltd for the Mt Goldsworthy project. A variation of \$8.8m resulted from the stamp duty payable on the documentation affecting the rationalisation of property ownership under the Iron Ore (Goldsworthy-Nimngarra) Agreement Act and the Iron Ore (Mount Goldsworthy) Agreement Act. This is the amount paid out which must be reimbursed. Also, the state contribution to the South Hedland enhancement scheme involved a first instalment of \$1m - in a total of \$7m for the project - on a dollar for dollar basis with BHP. The sundry variation was an overrun of \$0.7m, with the total variation for this department of \$10.5m.

Agriculture had an overrun of \$9.7m, comprising a variation of \$4.5m for the redundancy packages involved with the restructure of Agriculture Western Australia; the commonwealth national LandCare program contribution, again offset by revenue, led to a variation of \$3m; and the sundry variation was \$2.2m.

These are the main matters encompassed by this Bill. I would like to change the system from the Treasurer's Advance Account, but that cannot be done under the Westminster system. Hon Mark Nevill will remember that under the previous Labor Government, Westrail had about 10 different bank accounts for group tax and different reasons. Westrail was a CRF agency and it had separate accounts to handle its cash accounts. I suggested to Hon Joe Berinson that it should operate one bank account. The Building Management Authority also had four or five accounts at that time because of the payments made by that body. Many of those problems have been solved by taking the bodies outside the consolidated fund.

The expenditure overruns I have outlined must be drawn from the Treasurer's Advance Account. I thank members opposite for their support for this important legislation. It was never intended to cut things fine regarding passage of the Bill to enable the payment of public servants as the Bill could not have been handled in this House last Tuesday or Wednesday.

Before Hon Tom Stephens was a member of this place, the Treasurer's Advance Bill was introduced earlier or later than the Supply Bill. Last year we introduced the Treasurer's Advance Authorization Bill in May, and it was passed

a few days later, and the Appropriation (Consolidated Fund) Bill (No 2) did not come into the House until 26 June. Therefore, the dates change.

In answer to Hon Mark Nevill's question, a Chemistry Centre advance will be required for 1997-98 to even out revenue and expenditure. An education master lease is not required next year and the payroll working accounts will not be required next year as departmental operating accounts will be used. Much of the financial management will change. About 120 agencies which are not statutory authorities - they are consolidated fund agencies - will be running their own bank accounts, and some will do so from 1 July. These bodies will not spend up at the end of June and they can carry forward underexpenditure into the next year. I hope this will lead to better management. Some say that commonwealth departments are still trying to spend surplus money in June, and breaking that nexus will help the finances of the State.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate and passed.

REVENUE LAWS AMENDMENT (TAXATION) BILL

REVENUE LAWS AMENDMENT (ASSESSMENT) BILL

Cognate Debate

On motion by Hon Max Evans (Minister for Finance), resolved -

That the Revenue Laws Amendment (Taxation) Bill and the Revenue Laws Amendment (Assessment) Bill be taken cognately.

Second Reading

Resumed from 12 June.

HON MARK NEVILL (Mining and Pastoral) [5.53 pm]: The Opposition supports both of these Bills. The Bills amend the Debits Tax Act, the Land Tax Act and the Pay-roll Tax Act. The amendments to the Debits Tax Act will increase the rate of the tax, which is usually the thing that happens when these sorts of Bills come through the House. The debits tax was inherited from the Commonwealth in 1990 and applies to bank withdrawals. The second reading speech claims that Western Australia charges a low rate of debits tax, but one has to compare that statement with the fact that Queensland does not have financial institutions duty, so these things are not comparable from one State to another. The debits tax will double for all categories of withdrawals, which represents a significant amount of money for a full year. It is estimated to raise an additional \$51m. I understand there is a proposal to replace the current debits tax and FID with a single tax. It is a good idea which will save a lot of processing and certainly reduce the number of entries which one has to type in for one's tax every year when one is calculating debits tax and FID.

Hon Max Evans: With everyone's payroll being paid directly into bank accounts, people are not paying tax in the way they were in the past.

Hon MARK NEVILL: The amendments to the Land Tax Act introduce a new scale to apply in the next financial year. The results will be to increase tax collection to \$275m in 1997-98, an increase, we are told, of 8 per cent. That is quite significant. The growth in collections is estimated at double the inflation rate. Under the proposed scale 40 per cent of taxpayers will be slugged more. Considering the increases are double the inflation rate, those 40 per cent will certainly be paying even more than that again to raise the required revenue.

The Revenue Laws Amendment (Taxation) Bill also seeks to amend the Pay-roll Tax Act to reduce the rates of tax currently in force. It increases and broadens the wage ranges to which the various taxes apply. The net result will be an increase in payroll tax. The second reading speech indicates that the Government would like to have reduced payroll tax even further. The Government must be reminded that when it was elected in 1993, it was intending to phase out payroll tax over eight years. The tax represented \$500m or \$600m in those days.

Hon Max Evans: It is \$650m now, so it has not gone up that much.

Hon MARK NEVILL: Yes. If we phase that out over eight years, it represents an \$80m a year reduction. If the Government had kept its promise the struggling businesses in this State would have paid about \$1b less in tax over the last five years. That extra money to the Government has come out of businesses in Western Australia that have paid payroll tax over the last five years, which those businesses thought they would not have to pay. Despite having that extra \$1b in revenue, \$1b from BankWest and \$200m from the State Government Insurance Office, the Government still says that the current budgetary circumstances are impossible. One wonders how well it is managing the State when superannuation blew out by \$400m last year.

This payroll tax will be borne principally by the mining industry. The tax is paid by big companies with big payrolls. It often amazes me to see the Small Business Institute campaigning for the abolition of payroll tax. It is the one competitive advantage that small business has over companies like Coles Myer and Woolworths, which have to pay the tax, when little businesses do not. The tax is regressive. The mining industry, we are told, will also get sluggish with a gold tax at the end of this year. The Government has absolutely no understanding of the financial plight of the gold mining industry. We will see a significant contraction of the industry over the next 12 to 18 months. I would like to revisit that statement in 18 months. We will see a large proportion of its work force shed and the closure of a lot of mines. We will not see the normal expansion and the same amount of drilling. This industry is obviously seen as rich pickings for a Government that says its current budgetary circumstances are impossible, when it has had an extra \$1b out of industry for payroll tax over the last five years, which it said it would not charge.

The Revenue Laws Amendment (Assessment) Bill contains a number of provisions in the areas of land tax, payroll tax and stamp duty. In the payroll tax area the Bill allows for executors and administrators to claim an exemption based on the status of the deceased for a minimum of one assessment a year. It also clarifies what is a parcel of land for residential purposes. That exemption will apply only for the purpose for which the land is actually used rather than its intended use for residential related purposes. I am told that if I put a tennis court on the block next door, I will not have to pay land tax, but if I grow a fig tree or park my car there, it does not quite qualify.

Hon Max Evans: If you have a block of land and you put in a tennis court, you will solve the problem.

Hon MARK NEVILL: I am working on that one! Under the payroll tax changes there are new thresholds and the new proposed scale.

Sitting suspended from 6.00 to 7.30 pm

Hon MARK NEVILL: The Revenue Laws Amendment (Assessment) Bill will extend the payroll tax base to include fringe benefits and employer contributions to employee superannuation. This represents a rather invasive expansion of the payroll tax system, particularly the inclusion of employer contributions to employee superannuation, and it will lead to increased red tape for businesses in having to include fringe benefits and superannuation contributions in their payroll tax assessments.

The Bill provides also for an exemption for certain travel and accommodation allowances paid at rates specified in awards, or up to prescribed rates. Will that exemption include remote area allowances?

Hon Max Evans: Yes. The second reading speech states that they will be exempt. We brought that in last year, and that situation still applies.

Hon MARK NEVILL: I wanted to confirm that remote area and district allowances would not be included in these payroll tax collections.

The Bill will allow the Commissioner of State Revenue to approve exemptions for charitable bodies. The Minister currently gives those approvals. We support that provision. The Bill also provides an exemption from payroll tax for wages paid to employees who work in another country for continuous periods in excess of six months.

This Bill will plug a number of avoidance measures. It will prevent artificial arrangements which may reduce the value of property being conveyed. It will also ensure that companies cannot be acquired and stripped of assets without the payment of duty, and that companies cannot be acquired and avoid the payment of duty by using artificial mechanisms to convert ordinary shares to redeemable preference shares. An exemption is provided for shares that are transferred as a result of trading on prescribed overseas stock exchanges, provided those shares have been on an overseas register for at least six months.

The Bill contains a number of minor stamp duty amendments; for example, to allow a first home owner to receive a proportional exemption when purchasing jointly with a non-eligible party. The Bill also extends the current payroll tax exemption to certain non-charitable aged care hostels.

The Opposition supports the Bill, although it is uneasy about the extension of the tax base to include fringe benefits, because that will affect many people in remote areas, and about the inclusion of employer contributions to employee superannuation.

HON HELEN HODGSON (North Metropolitan) [7.36 pm]: The Revenue Laws Amendment(Taxation) Bill and the Revenue Laws Amendment (Assessment) Bill enact the announcements made by the Government as part of its budget package and various other announcements that it has made over the past six months. The Bills deal specifically with amendments to the bank account debits tax, land tax, payroll tax and stamp duty.

Bank account debits tax is appropriately nicknamed the BAD tax. We are concerned about whether the bank account debits tax is fair and whether we should have such a tax. However, it is not a tax that we can do very much about. The problem is that these days it is becoming compulsory for people to operate bank accounts because so much is done by means of electronic banking that a person who does not have a bank account often cannot get paid or pay bills. The bank account debits tax means that people pay tax on moneys that are withdrawn. This would not be such a problem if that tax were not coupled with financial institutions duty - the FID tax - so that two different taxes are imposed on people's bank accounts, one on deposits and the other on debits.

I am aware that the Government is addressing this issue, because it announced recently that it would be looking at an amalgamation of BAD and FID to make a uniform tax. Unfortunately, although it is acknowledged that these taxes are generally a problem because they make things very confusing for householders, small businesses and people who deal with the banking system, that is not a move that we can introduce unilaterally in this State. It can be introduced only in conjunction with the other States.

Hon Max Evans: All States agree that Queensland is the problem.

Hon HELEN HODGSON: Queensland is the problem in this area; Queensland is frequently a problem when we are dealing with taxation measures.

These taxes are generally not well accepted in the community, to put it at its bluntest. The issue here is that we looking not at assessment provisions generally but only at an increase in the rate. Once again, this Chamber cannot do very much about that. A doubling of the bank account debits tax, without any reduction in the financial institutions duty, will hurt small account holders, householders and people who regularly make transactions. It is all very well to say that people must learn to make larger transactions and to spend the money over time, instead of making lots of small transactions so that they can maximise the progressive rates; however, effectively this tax will have a much bigger impact on the little person - the householder and the small business operator - than it will on big business. We are already finding that in a low interest rate environment it is costing people money to operate a bank account. The banks are imposing significant fees on their account holders. Other significant imposts are the bank account debits tax and the financial institutions duty. Speaking from the perspective of somebody who has handled people's financial affairs over a number of years, I have seen the amount paid in bank taxes more or less double in most cases. People who used to pay between \$20 and \$30 a year just to keep a normal bank account going now pay double that amount; that is, between \$60 and \$70 a year. We also acknowledge that because it is merely a taxing measure, there is nothing we in this place can do about it.

We are also looking at land tax. Again there is a change in the tax rates. This time, a number of measures affect the tax base. The formula that is always used to work out how much tax is payable is quite simple - the rate of tax times the tax base. If we want to increase or decrease the amount that is being received in the revenue, we must increase or decrease one of those two figures. It is pure and simple mathematics. The changes in land tax will decrease the tax rates because there have been some unavoidable increases in the tax base. We are looking at an outcome that is more or less revenue neutral. I say more or less because the documents show there will still be a net growth in collections.

We have faced a few problems with land tax over the past few years; for example, as property prices increased, so the land taxes also increased. In many cases it seems to the small business person that it is disproportionate. The values of properties in an area such as King Street, which has gone through a massive upgrading, have increased enormously. Suddenly these small business people have found their rates and taxes have shot up through the roof because the value of the property has increased so much. This is a real problem for small business. In most commercial tenancies the tax is passed on to the tenant, and that is usually the final straw that the tenant cannot meet in trying to pay the costs of the business.

Hon Mark Nevill: Mr Prosser will fix that up - from the back bench!

Hon HELEN HODGSON: The intention behind land tax is that it is not supposed to apply to residential properties, but to commercial properties only. I classify a commercial property as including a residential one from which rents are being derived. It is not supposed to hit those who are living in a home they own.

In that respect I am pleased to see some amendments to the Land Tax Assessment Act which will rectify an anomaly in that area; that is, in respect of deceased estates. Obviously, people who are dead cannot keep living on the property! On the death of the person who owned the property and previously qualified for an exemption, the people who inherit the estate are being levied with land tax. That is a problem because land tax is levied on one date in each year; namely, 30 June. If people happen to die on one side of that date, they either qualify for the exemption, or they do not. An argument cannot be made that they qualify -

Hon Max Evans: You could keep them there so that they cross the date!

Hon HELEN HODGSON: - for two months and not for the rest of the year. People either pay tax for a whole year or none at all. I see this amendment -

Hon Mark Nevill: The Minister will be cutting hospital funding if you go along with this.

Hon HELEN HODGSON: I see this as an encouraging amendment in keeping with the intention behind the Land Tax Assessment Act. I cannot see any other issues that will have a great impact, other than in a technical sense. There are changes in the wording to ensure compliance with the Corporations Law and also changes to section 27(2), which will make sure that what was meant to happen last year, will now occur. It is merely a correction of a technical error.

The final tax being reviewed tonight is payroll tax. We have some concerns about the policy behind the changes for payroll tax. I go back to my fundamental point: We can fiddle with either the tax base or the tax rate. This is what is intended with these changes. The tax base will be expanded significantly while the tax rate will be cut to ensure that the measures are more or less revenue neutral. However, once again, they are not totally neutral because there will be a small gain to the revenue.

The tax base will be broadened in two areas - fringe benefits tax and superannuation. The fringe benefits tax is an interesting matter. It has taken this State 12 years to come up to the position where the Federal Government was when it enacted the Fringe Benefits Tax Assessment Act in 1985.

Hon Max Evans: We are slow learners, but we are very generous.

Hon HELEN HODGSON: Over a decade ago the Federal Government recognised there was a trend towards salary packaging, which was eroding the tax base. Under salary packaging cash income is replaced by non-cash benefits; that is, items that are legitimately associated with income producing activities. Superannuation is a special case. It is not a fringe benefit under this legislation, but it is often packaged. Salary packaging can include the provision of a car, which may or may not be associated with income producing activity, and mortgage repayments. They are probably the major items, although many other smaller items can be introduced.

Hon Max Evans: School fees can be included.

Hon HELEN HODGSON: Yes, that can be quite a large item in salary packaging. Prior to 1993 there was a gain to both the employers and the employees in the way in which fringe benefits tax was assessed. The difference between the marginal tax rate of the employer and the marginal tax rate of the employee could be exploited. That is when salary packaging really took off in a big way. People said that if their company paid these things instead of the employees paying them directly, it would save both parties tax. Salary packaging is predicated on the basis of a win-win situation - the employees win because they end up with more in having a car provided and a reasonable salary, and the employers win as well.

The changes to the Fringe Benefits Tax Assessment Act brought in by the Federal Government in 1993 removed the income tax advantage, to a large extent, where it was not a genuine work related fringe benefit. The main area in which the employer could win was through payroll tax. Our Pay-roll Tax Assessment Act is back where the Federal Income Tax Assessment Act was in 1985, trying to say that yes, we can tax benefits, but first of all we must be told what is a benefit and how it is calculated. All of that is very difficult to do without a specific regime being in place.

The Democrats have no problem affirming the policy behind the inclusion of fringe benefits in the tax base. We believe that in most cases it merely picks up amounts that would genuinely be subject to tax if they were paid in cash to the employee.

I noted the comments by Hon Mark Nevill about remote areas and I note that the Bill includes a mechanism to deal with it. I am sure we will hear more about that during Committee. The form of measuring fringe benefits for payroll tax purposes has been a topic among the tax profession for some time. If a regime exists to calculate a benefit it would not be logical to incorporate a second regime. It would increase the compliance cost imposed on employers. If a measure like this can be introduced while the compliance costs are kept under control it will be easier to ensure it is effective.

We do not think the policy basis for superannuation is quite as clear. Superannuation is in a different category from other forms of fringe benefits. A dichotomy is created between the State's trying to protect its revenue base and the Federal Government's savings policy to ensure that people will provide for their own retirement. I appreciate that we are dealing with the state half of the equation. However, we are trying to ensure that everybody has superannuation in place, and will be able to provide for their own retirement and lessen the burden on the State. That will lessen the burden on not only social security payments but also various other measures that the State picks up such as health costs and transport concessions.

This Bill creates an additional tax which will hit the employer not the employee, but it will discourage people from putting aside extra funds for superannuation. Superannuation is a deferred remuneration; I have no quarrel with that. I appreciate that at times people use it as a salary packaging device to minimise their tax. Recently the Federal Government introduced tax measures on superannuation paid by people earning more than \$70 000. However, under federal law the minimum level of superannuation the employer is required to provide is, I think, now 6 per cent. To impose payroll tax on that minimum level will be counterproductive in the long run.

Traditionally, in some industries superannuation has been higher than the norm. It is part of the culture of those industries and it is part of their conditions of employment. I am thinking particularly of the tertiary education sector. Long before salary packaging came in, when I first joined the university approximately 10 or 12 years ago our superannuation contributions were set at 7 per cent for the employee and 14 per cent for the employer. That was a normal condition within that industry. No tax avoidance was involved because it was pre-fringe benefits tax and prior to the changes to the superannuation system. Now some sectors - I cite universities in particular because I am familiar with them - will find that all of a sudden, even at the base level of superannuation within that industry, they are hit with the huge impost of payroll tax on the 14 per cent they contribute under their award system. We must take that issue on board. I understand that superannuation is seen as another form of wages, whether it be the basic level or beyond. However, I do not agree that is the best way to go.

Other matters concerning payroll tax involve technicalities such as tax on services performed overseas. I am pleased at the rewrite of section 6 of the Act because the move towards using plain English has made it a little easier to follow.

I can see no problem with the proposed procedures for taxing charitable institutions. It will bring payroll tax provisions in line with most of the other taxing Statutes.

I am somewhat concerned at the extent to which the payroll tax provisions rely on the regulations. We will not see the regulations giving the power for the regulations to be drafted until the Bill is passed. However, I will be examining those regulations with great interest to see how well the policy as enunciated in the Bill and the second reading speech follows through.

The last of the taxes addressed in the Bill is stamp duty. The amendment deals primarily with technical matters rather than with policy issues. I could go into a long academic dissertation on the problems encountered when efforts are made to fix up tax avoidance in revenue Statutes. It seems that for every loophole we try to close, another three or four open. Most stamp duty measures involve attempts to close loopholes. Some members may have heard the expression "fuzzy law". That is the law when loopholes are not specifically closed; they are left in a fairly broad policy context with reliance on the courts to ensure they are dealt with within that policy framework. The tax profession is divided about how fuzzy the law should be allowed to get.

Hon Max Evans: It depends whether you are a lawyer or an accountant. Lawyers make lots of money out of the law being fuzzy.

Hon HELEN HODGSON: Yes; depending on whom one is talking to. That is part of the issue when dealing with tax avoidance. It is important to protect our revenue base.

The other issue is retrospective legislation or legislation by announcement. Three major areas of stamp duty legislation will take effect from the date they were announced, rather than from when the law will be passed. This causes some problems to the profession. Usually an announcement is made and unless the details are provided its members do not know how to advise their clients. This continually occurs in legal areas such as registrars' orders, for which another Bill will be introduced this week. How do tax consultants advise their clients if they do not know what will be the legislation? It may not ultimately be the same as it is now.

I checked in my professional journals to see whether those three areas had been announced and, good news, two of the three had been. The third had not and I do not know whether it was not considered sufficiently important.

Hon Max Evans: Which one was that? I will get onto the department tomorrow.

Hon HELEN HODGSON: It was the provision effective on 12 May concerning the share conversions. I could not find any announcement in my CCH journal. That is not to say the Minister did not make the appropriate announcement. It may not have been picked up by the appropriate journals. I discussed the Bill with some of my professional contacts. The Minister will be pleased to hear that in one area they were relieved because after seeing the announcement they thought it might go much further than it did.

Hon Max Evans: Tell us what we missed out.

Hon HELEN HODGSON: The first of those specific areas is the amendment to section 75A covering encumbrances. I understand the amendment is to correct something that was picked up in a legal decision when it was concluded that a lease was not an encumbrance and therefore the value was significantly lower for stamp duty purposes than it otherwise would have been. Obviously the provision is not drafted to exclude legitimate and genuine arrangements. It is designed to focus on related parties where tax avoidance is likely to be a problem. Therefore, that is a reasonable provision. It will be fair, as long as it does not catch people who have not deliberately structured their affairs.

The second mechanism relates to overseas transfers. This measure works in favour of the taxpayer. In my opinion, it opens loopholes rather than closes them. The provision is designed to allow companies to raise funds outside Australia and to provide an exemption on share transfers for that purpose. I understand the logistical difficulties in dealing with stock exchanges in other countries who do not understand our stamp duty mechanisms or make provision to collect and remit, and so on. Our concern is that by opening up the process in this way and providing an exemption for transfers it will give the taxpayers an opportunity to structure their transfers so that they take place offshore and thus avoid stamp duty on the transaction. That exemption probably goes further than it needs to go, and I query whether that is the best process or whether there is a mechanism of collecting tax - say, a withholding tax mechanism - to deal with the problem without opening further loopholes.

The third specific provision is the conversion of shares into redeemable shares. The conversion of one form of share into another with different rights is often one of the cornerstones of tax avoidance schemes. When stripping value from assets and shifting the value from one form of asset to another, the easy way is to convert the shares into shares with different categories of rights. With that process, the value changes and the possibility of tax avoidance arises. That has been the key feature of a number of very important cases dealing with asset-stripping. It is important that the loophole in the stamp duty legislation is closed, otherwise tax avoidance will continue in that area.

The legislation contains a number of other more general amendments relating to stamp duty. Clause 27 ensures that the policy of the Act in regard to the admittance of unstamped documents in court proceedings flows through to all forms of court proceedings, including pleadings. That is an important amendment.

Hon Max Evans: We thought it was right the first time, but we have had to amend it.

Hon HELEN HODGSON: A pattern tends to be appearing here.

Hon Max Evans: Judges make different judgments.

Hon HELEN HODGSON: Another provision relates to in-specie distribution of assets from companies. Again, this addresses the reality of a transaction. Although a company is a legal entity in its own right, to some extent that is a legal fiction because in a legalistic sense, the rights of the shareholder are different from the rights a company has to hold certain assets; but in a broader, policy type context the shareholders have some rights to the assets of a company. When a company is liquidated and the value is transferred by way of in-specie distribution of assets instead of winding it up and distributing by way of cash, one could encounter stamp duty problems on the transfer of the assets. This measure is to correct that situation so that in-specie distributions are treated as a distribution of the shareholders' interest in the company, and that is a reasonable approach.

One does not need to be a first home owner to qualify for a proportionate first home owner's concession. That measure is well overdue. It has been an issue as long as I have been working in the tax area.

The other two measures addressed by the legislation are aged and disabled persons and motor vehicle licences. In both cases the provisions are largely a rewrite to deal with the federal and state policy changes. We have no problem with those provisions.

We support the Bill. We have some concerns about the imposition of payroll tax on the compulsory component of superannuation. The remainder of the Bill is worth supporting.

HON J.A. SCOTT (South Metropolitan) [8.05 pm]: My first concern relates to payroll tax. During our briefings, an officer from the department explained the reasons for widening the tax base. Most of the reasons were fairly good. I am happy with the fringe benefits provisions. It was explained that the provision would not adversely affect the fly in, fly out arrangements. The main concern for businesses is compliance costs rather than taxation itself. How much more difficult will it be for companies to comply with taxation requirements?

My second query relates to a lease not being an encumbrance - a matter referred to by Hon Helen Hodgson. At first I thought that was a good idea; however, when I heard a radio discussion about a charitable group leasing an old hostel at a much lower value than it should have been, I began to wonder what would happen to such organisations tied into such arrangements. I wondered whether the organisation would be adversely affected if the real value of the property were disclosed. Those are my main queries on the legislation.

HON MAX EVANS (North Metropolitan - Minister for Finance) [8.08 pm]: I thank the Opposition for its support for this legislation, which is a very important part of the Government's revenue raising program. Governments must go through this exercise each year. Members referred to the various anomalies which have been addressed by this legislation. Two years after I became Minister I requested the State Revenue Department to provide copies of letters written to previous Ministers on the subject of anomalies in stamp duty, payroll and land tax. I discovered that not one letter had been written, but I was aware of many such anomalies during that time. One issue relating to payroll tax and discretionary trusts had been taken up directly with the Minister by Bill Hassell when he left Parliament. An attempt was made in 1991 to address that, but the Bill did not proceed. I saw to that when I became Minister. I am not criticising previous Ministers; they had not been alerted to it. I have tried to work a lot harder in this area. As Hon Mark Nevill knows, the Government has cleared up a lot of anomalies, not only in tax avoidance. Most of the anomalies I cleared up were unfair on taxpayers. Another example occurred last year with estates. They might have affected only one or two people every two or three years, but they were anomalies. One involved stamp duty on the purchase of a property. As I find out about these anomalies, I address them. It has been mentioned before that the revenue laws Bills enable a lot of these provisions to be adopted. Previously one Bill after another would be passed to implement these provisions. It is a lot easier to get them through this way.

Bank account debits tax in this State has doubled and the amount charged will be equivalent to that charged in other States. It is a problem. Originally it was a federal tax; it is now a state tax. I cannot recall the year in which it came over to the state jurisdiction. When people move from the financial institutions duty to a BAD tax, there will be winners and losers; we know it will not be even. Many small self-funded retirees complain they pay stamp duty on dividend cheques and rent. That will change. There has been a lot of avoidance of the state financial institutions duty; 0.06 per cent of \$2m is \$1 200 a day. Some big companies in this State put all their cheques in a bag and take them to the Eastern States. They pay \$1 200 for all the Melbourne deposits and no more for Western Australian and South Australian deposits. They save virtually \$1 200 a day. They reckon those savings are worthwhile, even though they lose interest overnight. They do not have to worry about going to Queensland. The FID will go. Queensland is still considering what it will do to overcome the problem. If it does not abolish FID, it may have to increase the bank account debits tax in line with other States.

A lot has been said about the land tax scale. One member spoke about the tax base on which we must work this out. The Government does a lot of financial modelling on that. In 1992 legislation was brought in to have annual valuations. Before that the metropolitan area was valued in thirds. Some country areas were revalued only every five or six years. It is known that new values will be in by the end of March each year. We can do financial models at different rates. A lot of work is done for me to see what the answer will be. We have a pretty good idea of what will come at the end of the day. We will never be completely right on that. The land tax base has been increased from \$130 000 to \$150 000 since I have been the Minister. We do not know how much more real estate prices will increase. When land has aggregated, there is a higher rate of tax than if it has not aggregated. It is a hit and miss exercise. The figure might be \$1m or \$2m up or down in one year. In the Government's first year in office it dropped considerably the rate for annual valuations: 80 per cent of people paid less land tax and only 20 per cent paid more. Those who paid more land tax were the people who had probably not had revaluations for three or four years and the tax caught up with them. The State got \$6m less revenue in 1993-94.

A member mentioned King Street land values. I have a friend in King Street who complained about her land tax increasing. She did not want to explain to people that in 1992 she paid \$27 000 in land tax. Following a drop in value and a drop in scales, the tax dropped to \$12 000 and then increased yearly to \$15 000, but by 1996 it was up to \$31 000. She was better off by \$30 000 to \$40 000. If the landlord had been paying the tax and not passing on the savings, she would not have had any of that benefit. At a function the other morning she asked a question publicly on this matter. She admitted that if the Government had kept the tax at \$27 000 for each of the years, she would have been happy. The fact that the tax went down, and she lived with that, and then the scale went up again concerned her.

Hon Kim Chance: She would have been poorer, but she would have been happier.

Hon MAX EVANS: That is exactly it.

Hon N.D. Griffiths: She could have budgeted.

Hon MAX EVANS: Yes. I do not disagree with that. The tax has now caught up again. The owner of a business house in Barrack Street had complaints also. He pays a lot less than he would have done five years ago. He bought the place three years ago when the tax was at its lowest, and it has increased; however, it is still much less than it was five years ago. Another good friend of mine complained the other day about the land tax on his property in Barrack Street. I knew I was on a winner, so I got out the figures. In 1992 he paid about \$6 500 and in 1991, \$6 200. He is paying only \$6 100 now. The tax has been down to \$2 000. The valuation went down and the scale went down. He is still paying less than he was in 1991-92 and 1992-93.

Hon E.J. Charlton: You should get him to send you a cheque, actually.

Hon MAX EVANS: I will say more than that to him. He has a short term memory.

Another person has a shop on the corner of one of the arcades in Hay Street. The scale rate going down has offset the valuation increase and his rate has stayed at virtually the same for five years. The taxes on King Street and Barrack Street decreased and have now increased again. King Street will have a few more problems with the CBD Restaurant and other upgrading.

Hon Helen Hodgson talked about the base factor. The Government has spread out the scales. A few years ago the 2 per cent came in at \$150 000; it comes in at \$1.3m or \$1.4m. There are a few steps in the system. The steps started working against the self-funded retirees who owned properties in the middle range of \$200 000 to \$600 000. That is going now onto tenants and small shopping areas off the main beat. The second reading speech contains figures that indicate how the Government sorted those out. Many people are paying a lot less land tax, and some are paying a little more. The values have gone up but that has been partly offset by scaling down.

Hon Mark Nevill is right about payroll tax. Some people said the Government would be able to phase out payroll tax in eight years; I do not think I was ever guilty of that. At the moment 32 per cent of the payroll tax paid in Western Australia is paid by companies in New South Wales and Victoria. They pay less payroll tax per employee than Western Australian companies. I do not say whether that is good or bad - it is just a fact of life. They were not paying a lot less because they already had the fringe benefits tax and superannuation factored in.

Hon Mark Nevill: Companies like WMC Resources Ltd might be headquartered in Melbourne, but all their money is here.

Hon MAX EVANS: I agree. Hamersley Iron Pty Ltd is probably the same.

Comments were made about money coming from the sale of BankWest and the State Government Insurance Office. The SGIO did not bring in much, because it was on the books at \$100m and was sold for about \$90m; therefore, the State Government Insurance Commission lost on it. We did not get back a rebate from the Federal Government on the income tax rate; we got that from BankWest. That reduced loans by nearly \$300m. We did not get the money back in repayment; we got just a benefit in the interest rate.

Payroll tax in the mining industry is interesting. Originally payroll was paid by the big mining companies before they employed subcontractors and they had a huge payroll tax. It is now broken down and each subcontractor has an exemption of, I think, \$635 000. That is not a lot of money overall, but the benefits are there. There is a certain saving for the genuine subcontractors. The benefits probably go back to the main holding companies that employ the subcontractors because they include it in the price.

Alan Blood from Valued Engineering used to put out a lot of employees as contractors. They were not subject to payroll tax, so the firm derived a benefit, but it meant that if they caught up with him, he would have to pay the payroll tax. There are different ways of looking at the matter.

Hon Ljiljanna Ravlich: He wouldn't have to look after workers' compensation under that arrangement.

Hon MAX EVANS: Hon Mark Nevill talked about goldmining diminishing, and it will be interesting to see what happens. For those interested in statistics, I advise that in 1900 this State produced 46 tonnes of gold. Much of that was picked up from the ground and from small, shallow mines. By 1972 that had dropped to 10 tonnes, and then it fell to 7 tonnes. The introduction of the South African carbon and pulp technique meant that much more was produced. It took until 1986 to again reach the figure of 46 tonnes. It is now up to 190 tonnes, and perhaps close to 200 tonnes, a year in Western Australia.

Hon Mark Nevill: That was under the Labor Government. You watch it go down this year.

Hon MAX EVANS: Reference was made to stamp duty and overseas companies. It was interesting hearing the discussion about avoidance. The Government has tried as best it can to prevent avoidance. The registers in other countries indicate a number of mining companies in Western Australia were already on stock exchanges in Canada that the Government did not know about. One company said it had already raised \$30m and it wanted to clear the slate and know how it stood. In Canada companies pay no stamp duty, in England the rate is 0.05 per cent and in Australia it is 0.06 per cent. It would mean double the amount of stamp duty. In addition, there are many compliance costs, and a lot of time and effort are involved. We hope the legislation is in place - and this has been discussed with other States - that will quarantine it from stock deals done in this State. We have listed between eight and 10 countries where Western Australian companies are raising money. In Canada much more money is available for risk capital, particularly mining.

Hon Mark Nevill: I think you will find that has dried up.

Hon MAX EVANS: That might be, but until then it was a great place to get money. There was a lot of German and European money in Canada for these types of operations. The Vancouver Stock Exchange goes far more to the venture capital side than the Toronto Stock Exchange, and it has been trying to sell that aspect of its business in Western Australia.

Superannuation, fringe benefits tax and payroll tax are in line with the rates in other States for a number of reasons. As Hon Helen Hodgson said, fringe benefits tax has been a nightmare in compliance and certainly from an accountant's point of view. Changes are being made so that it will be easier for smaller firms. With regard to remote areas, all the amendments from previous years are still in place. The problem was not payroll tax, but the fringe benefits tax. Payroll tax was being paid on holiday trips involving children, but it did not apply to fly in, fly out employees.

Hon Mark Nevill: People who are living there are paying it, not the people who fly in, fly out.

Hon MAX EVANS: That is right. When the Government introduced this change, six of the major mining companies spoke about the amount it would cost them. I knew about one of the companies because I had audited its figures. First the Chamber of Mines and Energy spoke about a figure of \$4m and that went down to \$1m. I knew that it would cost one company only about \$50 000. Eventually it cost companies such as Western Mining Corporation Ltd, Hamersley Iron Pty Ltd, Mt Newman Mining Co Pty Ltd and Robe River Mining Co Pty Ltd not much more than \$0.5m in total. They made a big issue over a small amount of money. The Chamber of Mines and Energy ran with it although it did not involve a lot of money. The rate of 6 per cent is a small amount. We gave those companies the benefit they had been seeking for some time.

The debits tax, financial institutions duty, and many other taxes on alcohol, gambling and tobacco are, directly or indirectly, state taxes. The State receives a certain amount from the Federal Government but it is not enough to cover all the things that must be provided in Western Australia, such as schools, hospitals, trains, buses, roads, police and so on. The Government raises only \$2.5b, and it spends \$7b a year on these services. About \$650m is received from payroll tax. The Government must raise the money for these services because not enough money is provided by the Federal Government. With the increase in the threshold for payroll tax and the decrease in the rate, there will be winners and losers. Many people will not be paying much more as a result of the changes to payroll tax, superannuation and the fringe benefits tax.

Hon Helen Hodgson referred to government charges, and she may be interested to know that the Australian Taxation Office and tax agents will not allow members of Parliament to make a deduction for bank charges because it has determined they are pay as you earn people who receive group certificates. Members must challenge that, as I did, because they are self-employed. They must pay for much of their expenditure, and I believe they should receive a tax deduction for their bank charges. I will take this up with the ATO, but currently tax advisers will eliminate all the bank charges on the basis of a tax ruling. I give members that free advice, with the caution that advice is worth only what one pays for it.

Hon Helen Hodgson also spoke about superannuation in relation to tertiary institutions. I believe there is an organisation of "Remunerator" at Curtin University, which does salary packaging. It is being exploited more by tertiary institutions than by any other part of the community. Perhaps they have more time to spend on their slide rules working out the benefits they can achieve. That is what they were complaining about the other day.

Hon Helen Hodgson: Seven and 14 was before any packaging.

Hon MAX EVANS: The universities are paying the school fees, mortgages and the like. They are doing it in a big way. The superannuation surcharge, which I argued against, came about as many business professional people had little superannuation because they were self-employed and could put in large sums when they reached the age of 50 years. The Federal Government is trying to pick that up. Some are valid and some are not. Western Australia is in line with the other States on payroll tax. People complained when this State was not in line with the other States, and they also complain when they must pay more because WA is in line with the other States. We will try to keep everyone happy by making the rate in Western Australia the same as that in other States.

Hon Helen Hodgson was right about the fuzzy law. My former partner, Sir Charles Court, often said that it was better to have a hole in the hedge through which the kids could pinch the apples, because at least people knew when they were coming and going. If the hole is blocked, three or four more gaps will appear further along. Years ago there were excess distribution companies. People were trading tax losses. They closed one loophole and many others flourished that they could not stop. It would have been better to keep the situation as it was. The amendment to stamp duty is an attempt to clean up one at a time to prevent avoidance.

With redeemable preference shares, that matter was not publicised on 12 May for a couple of reasons. First, the Government knew a particular company was going to do it. The Government knew the Challenge Bank and Westpac merger was coming up. A scheme of arrangement means it is easier to get the numbers than it is with a takeover bid, which can involve many more complications. There are new ways of doing schemes of arrangement. It was not said at the time that Challenge and Westpac had a scheme of arrangement to avoid stamp duty, but as a result of doing it they avoided stamp duty of \$1.9m. This other group would have paid about \$1.6m. The Challenge-Westpac arrangement had been closed off. It considered redeemable preference shares and said it would not let anyone else know. We all know how long that would last. There were many opportunities and it was not a bad way of doing things. It changed the style of shares and that is why it was closed off at that stage with respect to one company.

Bradney's distribution is another case. In Western Australia any distribution in liquidation is free of stamp duty. The same applies in Victoria. Most other States pay stamp duty on it. We have kept it that way. When we came into government we believed we should keep it that way; it was fair. The Bradney case happened in Victoria. They did the transfer of the shares in the company and distribution virtually on the same day to avoid stamp duty of nearly \$4m. We had to close that off. We have been ahead of some of the other States in closing off some of these. They have regretted it. The fly in, fly out arrangement was never subject to payroll tax before and it will not be now.

I have spent a lot of time trying to reduce compliance costs. Some people probably made a good living out of them. I hope we will make it simpler as we go along.

Hon J.A. Scott: These measures will make it much more complicated.

Hon MAX EVANS: I do not think so. I do not think it will add much more. There are more problems for the Federal Government working out how much fringe benefits tax will be paid than there are with ours. They will work out a calculation with the Federal Government and they will come back to us. I hope we have made it simpler.

The lease and encumbrance arrangements for charitable organisations is a straight out rort in Victoria by creating a set of circumstances for a short period. The words "stamp duty" were removed afterwards. It would not affect a charitable organisation. It was a straight out stamp duty avoidance scheme. Some people make a good living out of these things, trying to work them out for their clients. We have tried to protect the revenue on these. I hope we have done a good job. A couple of years ago a lot of amendments were made to protect the taxpayer and also to protect the revenue.

I thank the House for its support and commend the Bills to the House.

Question put and passed.

Bills read a second time.

Third Reading

Leave granted to proceed to the third reading stage.

HON MAX EVANS (North Metropolitan - Minister for Finance) [8.34 pm]: I move -

That the Bills be now read a third time.

Points of Order

Hon MARK NEVILL: I was not aware that the Minister handling the Bills could skip the Committee stage.

The PRESIDENT: Order! The standing orders provide for the Minister to seek leave of the House to dispense with the Committee stage. That is exactly what we did earlier this evening on the Treasurer's Advance Authorization Bill. That is the reason the Minister sought leave a few minutes ago and that leave was granted.

Hon MARK NEVILL: To proceed to the third reading?

THE PRESIDENT: Yes.

Hon MARK NEVILL: The Minister caught me on the hop when he said that.

Hon MAX EVANS: We did it on the last Bill.

Hon MARK NEVILL: The Minister may have done it on the last Bill. We do not normally have a Committee stage on the Treasurer's Advance Authorization Bill. I do not have any comment to make on the third reading of this Bill. However, I understood Hon Helen Hodgson had a couple of questions to ask.

The PRESIDENT: The Minister sought leave to proceed to the third reading and the House granted leave. I am obliged to put the question on the third reading. It is another issue if Hon Mark Nevill is suggesting he refused leave and I did not hear him. However, I did not hear anyone say no.

Hon MARK NEVILL: What is the consequence of voting against the third reading?

The PRESIDENT: The Bill will not be read a third time and it will disappear from the Notice Paper. There seems to be some confusion. Perhaps I put the question on leave being granted too quickly and I might have missed somebody.

Hon MARK NEVILL: I will conclude my comments on the point of order to give Hon Helen Hodgson an opportunity to make the comments she wanted to make during the Committee stage.

THE PRESIDENT: We have covered that point of order.

Hon TOM STEPHENS: The question that is about to go before the House is that the Bills be now read a third time. Members will then be able to raise any issue within the framework of the third reading debate. That will then give the Minister an opportunity to respond to queries.

The PRESIDENT: I am not sure that is a point of order. I cannot agree with the Leader of the Opposition in those broad terms. Debate on the third reading of a Bill is fairly limited. Because there has been some confusion I will allow some discretion. However, I can guarantee we will not have a Committee debate.

Debate Resumed

HON HELEN HODGSON (North Metropolitan) [8.37 pm]: I regret the confusion that has occurred. I am sorry I missed the words of the motion. I will raise a number of matters before the Bill is formally concluded. Clause 9 of the Bill refers to certain allowances "that are prescribed are excluded from being wages to the extent prescribed, or provided for, in the regulations". What will be incorporated in the regulations?

The PRESIDENT: Order! Hon Helen Hodgson gets only one go at the third reading. We are not in Committee.

Hon HELEN HODGSON: Clause 11 refers to regulations relating to fringe benefits. Proposed section 3C(1)(b) states that, if the benefit is not work related, the taxable value will ignore the "otherwise deductible" rule. My experience of the fringe benefits tax legislation is that there are very few cases of the "otherwise deductible" coming into play when the benefit was not work related. I would be interested in knowing what situations the Minister has in mind in that area. Clause 13 deals with the remote area benefits. Will the Minister expand further on that to include matters that are covered in the remote area benefits? That issue was raised by a couple of members during the second reading debate.

In relation to clause 14, I have some instinctive reservations about why a person might have no right of objection about certain decisions. Clause 30 contains reference to stock exchanges being prescribed. Which stock exchanges are intended to be prescribed? I would like those issues dealt with and I thank the Minister for his indulgence.

HON MARK NEVILL (Mining and Pastoral) [8.41 pm]: The Government could run the risk of losing a Bill if this procedure occurs again. It is incumbent upon the Minister at least to check with the opposition member handling the Bill and perhaps members of the minor parties who have shown an interest whether they have any questions they wish to ask in Committee before seeking leave to proceed. It is a very fast process and we might find ourselves in an irretrievable position. I hope that courtesy is extended in future.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [8.42 pm]: Some liberty is being given to members in this third reading debate. However, I make it clear that we have a new sessional order providing that, if a Bill is classified A, the Minister in charge can seek leave to proceed directly to the third reading. That is designed to speed up the processes of the House. It is incumbent upon members to listen when Ministers move motions and to respond to them, just as it is incumbent upon members to listen to the bells and to come into the House when a vote is being taken. It is not a Minister's responsibility to establish whether members wish to speak on an issue any more than it is a Minister's responsibility to find members when the bells are ringing.

Hon Mark Nevill: No-one suggested it was an obligation.

Hon N.F. MOORE: I did not take a point of order on the honourable member when she was dealing with issues I thought were outside the ambit of the third reading debate because of what occurred today. However, members must listen to what is happening and, if they do not want to give leave, they should say no. When Bills are classified A, it means the Minister can, by leave, proceed to the third reading. That sessional order was passed by the House to allow us to move more quickly through the processes without having to go to Committee when it is not required.

Hon Norm Kelly: Can the minor parties have a say in the classification process?

Hon N.F. MOORE: It is a sessional order. If the member wants to ignore it, he can move to do something about it. The Minister can seek leave, and if the member does not wish to give that leave, he can simply say no; it is as simple as that. However, if the member does not say no, the question is passed. Hon Helen Hodgson denied leave the other day. We are not seeking to cause any problems; it is a new rule and members should be aware of it. If this happens again, we will take a point of order on the third reading if the debate is turning into a Committee debate.

HON MAX EVANS (North Metropolitan - Minister for Finance) [8.44 pm]: I refer Hon Helen Hodgson to the second reading speech in relation to stock exchanges. It clearly lists the New Zealand Stock Exchange, the Hong Kong Stock Exchange, the Calgary Stock Exchange, the Alberta Stock Exchange, the New York Stock Exchange, the NASDAQ, the Frankfurt Stock Exchange and the Zurich Stock Exchange.

Specific remote areas allowances to be prescribed as exempt from payroll tax include all remote areas currently receiving exemption or partial exemption from fringe benefits tax. These include residential fuel, annual leave travel, compassionate medical travel, gas and electricity. Educational costs and water costs are also excluded.

In relation to redeemable preference shares, the 12 May 1997 announcement of the share conversion was sent to the editors of the CCH 1997 Australian Master Tax Guide. However, the details were published with incorrect dates, but were subsequently corrected.

The member raised the issue of overseas exchange exemptions. This is the best method. It is tight because exemption is limited to on-market trades and most avoidance is evident in off-market trade. The six month registration requirement is designed to deter immediate register shuffling. Without a copy of the Bill, I cannot answer the member's queries about clause 14, but I will provide an answer.

Fringe benefits are dealt with in clause 12. We are dealing with issues outside the Income Tax Act. Many of the items on which an FBT may have been reduced could be subject to deduction for income tax purposes by providing it as salary packaging. In relation to payroll tax, we are concerned with the employee's total remuneration package and all the benefits, irrespective of the tax deduction.

I commend the Bill.

Question put and passed.

Bills read a third time and passed.

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

Twentieth Report

Hon Mark Nevill presented the twentieth report of the Standing Committee on Estimates and Financial Operations in relation to the estimates of expenditure for 1997-98, and on his motion it was resolved -

That the report do lie upon the Table and be printed.

[See paper No 538.]

APPROPRIATION (CONSOLIDATED FUND) BILL (No 1)

Leave denied for the Bill to be debated cognately with the Appropriation (Consolidated Fund) Bill (No 2).

Classification

The Leader of the House reported that the Bill had been given an A classification by the Bills Committee.

Second Reading

Resumed from 18 June.

HON LJILJANNA RAVLICH (East Metropolitan) [8.50 pm]: Mr President, I trust you will recognise that I am not the Opposition's lead speaker on this Bill. The Opposition's lead speaker will address this Bill later.

I will address my comments to education. The education system is undergoing unprecedented change. In recent months major changes have been made to education in this State and by the end of this year even more drastic changes will be made. The three key areas of change are, firstly, the formation of the Curriculum Council, which was created by legislation which passed through this place a week ago; secondly, the release of the Green Bill for a new Education Act to replace the Education Act 1928; and, thirdly, the introduction of the concept of the local area

planning framework. In the past week I have received numerous calls from parents and concerned citizens who have asked why so much change is occurring so quickly and why they have not been consulted. Teachers and the general community are of the opinion that there has been insufficient time for consultation to accommodate these changes. Putting aside the consultation on the actual policies, there certainly was insufficient consultation in the drafting of them.

Before I refer to the local area planning framework, I will put education into a budgetary perspective. The 1997-98 Budget had a 3.8 per cent increase in the Education budget. If we take into account the inflation rate for the same time of 2.5 per cent the truth is that there was only a 1.05 per cent increase in the Education budget. This does not take into account the impact of the increase in population growth on educational services. In real terms there has been a significant decrease in the Education budget.

Hon Derrick Tomlinson: Do you mean a decrease in expenditure per child?

Hon LJILJANNA RAVLICH: Yes. Furthermore, when this Government first came to power it made a substantial promise to teachers and parents in the broader Western Australian community to reduce class sizes. Most people thought this would happen in the Government's first term in office, but it did not eventuate. Also, there was talk about an increase in salaries for teachers, but unfortunately they have had to trade substantial working conditions for the wage increases they have been granted. The agreement is for a limited time. At the beginning of 1998 teachers are due to enter another round of enterprise bargaining and I suggest that following that process there will be a substantial demand for revenue to fund that wage increase.

The problems confronting the Education budget include a decrease in revenue, mounting pressure on resources, parents and teachers demanding reduced class sizes and teachers demanding an increase in salaries. If we offset those problems against a reduction in revenue, the Government has a real problem.

How can the Government deal with this problem? The most obvious way is for it to cut back on services. The concept of a local area planning framework is actually a rationalisation of the State's education system. I have no doubt that it is simply a cost cutting exercise. In my previous life I worked as a consultant. If I wanted to sell the concept of school rationalisation I certainly would not tell parents that I would be rationalising education or schools; I would give the process a fancy name, which in marketing is called a by-line. In this instance the Government has called it local area planning. The bottom line is that local area planning will mean reduced services in Western Australian schools and certainly a reduced quality of education for students.

I will refer briefly to what the Government promises through its local planning framework. According to the Government it is smarter planning of educational resources to achieve better outcomes for students. According to the Government's promotional information on the local area planning framework, students will have access to an improved range of curriculum, improved access to specialist staff and a wider range of facilities. The new focus of the local area planning framework will be concentrated on a group of schools rather than individual schools.

According to the documentation, schools will have to go through a planning process to effect the changes they desire. The planning process outlined in the policy document is not terribly sophisticated. I will concentrate on the whole area of planning because it is, and has been for the last decade, a huge problem area. To effect some of these plans schools will, through their respective committees, develop draft plans which identify educational opportunity, consult with the respective communities, decide on what path to take and, last but not least, decide whether to implement the improved plans. That sounds fairly easy, but approximately 12 or 15 years ago I was employed as a principal education officer at the Joondalup District Education Office and one of my first tasks was to devise a district plan which would provide a framework for schools to develop their own school development plans. I can assure members that schools had, and continue to have, enormous problems with the whole planning process. In view of those problems the Government is going down a dangerous path in expecting schools, particularly these which have not coped well with the requirement to develop plans, to add this planning requirement to their other planning requirements. I am concerned that school principals and communities do not have the planning expertise to go down this path, but it will be expected of them.

I return now to the entire area of planning and the professional development of teachers and school principals in relation to their ability to undertake that task. According to the Education Department documentation, positives will flow from the local area planning framework. For example, in some situations we will be able to amalgamate administrative teams to form what will be known as "hub schools". In other words, two or three schools will have only one administrative team, which will supposedly be a plus for schools, students and the community. However, from where I stand, I see no advantage in that proposal; in fact, I see it as a distinct disadvantage. I need to be walked through the process to be convinced that one administrative team taking care of two or three schools is a better model than the current system.

Also, under the local area planning framework, greater use will be made of interactive video and students will be able to study subjects for which they do not have a teacher. I have worked in district high schools, and I know that interactive video teaching is a second-rate option when compared with a teacher providing instruction in the classroom. When I was a deputy principal in a district high school, interactive video links and programs were provided simply because staffing resources were not available to cater for students. I need to be convinced that such a proposal is a good thing. How will this process be different from services provided to isolated students? It is a second-rate option to a teacher before students in the classroom.

Hon Derrick Tomlinson: Is it better than having no subject or curriculum offered at all?

Hon LJILJANNA RAVLICH: The best option is to provide a teacher. It is a poor option when students are expected to learn from a range of printed resources without a teacher. I need to be convinced of the merit of that proposal.

Hon Derrick Tomlinson: I am not disagreeing with your proposition that the best option is to have a teacher, but I question whether what you describe as a "second-rate option" is better than no option at all.

Hon LJILJANNA RAVLICH: I take the member's point; however, we should be providing the best for Western Australian children. I do not buy the argument that such a system is the best we can provide. This State is resource rich with a large gross state product, so we should be investing in education and in our future. We must invest in human capital as current students are the work force of tomorrow, and it is not good enough to have students undertaking TEE subjects in regional area with scant resources and indirect teacher instruction.

Hon Derrick Tomlinson: You would do away with the School of Isolated and Distance Education then.

Hon LJILJANNA RAVLICH: That involves the extreme cases on pastoral properties -

Hon Derrick Tomlinson: It is servicing district high schools as well.

Hon LJILJANNA RAVLICH: It did not service the Morawa Agriculture District High School, with which I was involved. Many priorities apply in education, and one such priority should be to place teachers in the front of the classroom.

Another claimed benefit from the local area planning framework is that schools will share facilities with the local TAFE. I understand that this already occurs in many areas, particularly regional areas. The sharing of resources in such circumstances can be a positive thing. The local area planning framework will also create multi-campus high schools through the amalgamation of two or more schools to create greater subject choice for students. This may be a good thing. However, once one starts amalgamating schools, some students may need to travel greater distances to attend school as their former schools may no longer be available. Also, will teachers then need to travel considerably further to attend their place of employment? These problems arise from the local planning framework. Also, under the framework schools will be able to sell excess land such as ovals and will be able to build new facilities. This planning framework will abrogate the responsibilities of the Education Department and throw planning matters back on parents. Therefore, I am concerned about this policy direction.

The Director General of Education, Cheryl Vardon, said in the Estimates Committee that no targeted savings had been established for this policy. However, in the same breath she advised the Estimates Committee that a reduction of 170 FTEs would occur at central office; that the number of district education officers would be reduced almost by 50 per cent from 29 to 16 officers; and district superintendents, who will be known as district superintendents of schools, would be reduced from 29 to 21 officers. It appears that a substantial reduction in staff will occur as a result of this policy.

Hon Derrick Tomlinson: School principals to whom I have spoken said they would be pleased to see the superintendents disappear!

Hon LJILJANNA RAVLICH: Hon Norman Moore stated that these staffing resources were not to be reduced but were to be shifted elsewhere in the system. However, he has been unable to tell me to where they will be shifted.

Hon N.D. Griffiths: It sounds like a shifty move.

Hon LJILJANNA RAVLICH: Indeed. The Director General of Education at the Estimates Committee was very unclear about whether a proper cost benefit analysis had been conducted on this local planning framework, and she led me to believe that some savings would accrue as a result of this model. However, it is a concern that she could not substantiate whether any analysis had been done on the educational impact of this policy. As a former educator, I am interested more in the educational impact than the economic impact of this model. All parents, students and school communities should be concerned about these proposed changes as we are moving too far, too fast with this model. We should not proceed until further analysis is done on the educational impacts of this framework.

I turn now to the area of financial management by principals. Under the devolution plan, as I have already made clear, jobs performed by the planning division within the Education Department will pretty much be devolved to local areas. Greater devolution requires increased efficiency at the operational level, but the sad truth is that the efficiencies at the operational level do not occur. The Auditor General found that schools had a very difficult time coping with the current rate of devolution and certainly had difficulties in the financial management of schools. The Auditor General found that principals did not have the financial skills to manage their schools.

Page 3 of the performance examination from the Auditor General's Office entitled "Learning the Lessons; Financial Management in Government Schools", report No 7 of October 1996, states the Education Department of Western Australia should address the capacity and support needs of schools before further transfer of functions from central office takes place; and the Education Department of Western Australia should act to ensure sound financial management practices in schools, particularly in the areas of purchasing, asset management and asset replacement. I find it strange that the Government is going down the path of devolving greater and, in fact, almost total, planning responsibility to local areas when the Auditor General has made it clear that that is not appropriate and there should be no further transfer of functions from central office to schools. What is even more frightening is that the Auditor General went to some lengths to report on financial management in government schools; and the report card looks very sick. This has implications for what the Government is trying to achieve in the local area planning framework. In the human resources area, both primary and secondary schools received a rating of unsatisfactory. In the school development plans area, the Auditor General states that -

Nearly all schools have prepared plans which identify priority areas for attention and funding. However, most schools are not fulfilling the requirement to report indicators of school performance against targets.

Although both primary and secondary schools received a rating of unsatisfactory for this area, this Government wants local school communities to add more to their planning plate. I find that quite frightening, and it is not a positive move for the education system.

In the area of purchasing, both primary and secondary schools received a rating of unsatisfactory.

The area of asset management is interesting, because the local area planning framework provides that local communities and school principals will be able to do what they like with their school - for example, they can sell the school or part of the oval - because responsibility will be devolved to them at that level. The Auditor General found that school administrative teams could not cope with the management of even small assets, let alone large assets. The Auditor General's report states -

Whilst schools have asset registers they generally don't record all details, are not kept up to date, and stocktakes are usually either not done or only partially done. Most schools have established Asset Replacement Reserves but allocation to the reserves is not based on the value of the assets to be replaced or the future asset requirements.

Hon B.M. Scott: It aims to give parents greater responsibility.

Hon LJILJANNA RAVLICH: Some communities have very responsive parents, but others do not, and the devolving of these fundamental areas of responsibility to communities will cause all sorts of problems in the system.

Hon B.M. Scott: Kindergarten planning in this State has been devolved for 70-odd years and parents have been responsible for the assets.

Hon LJILJANNA RAVLICH: The kindergarten sector is a small proportion of the education sector.

The Auditor General rates schools' handling of human resources, school development plans, collection of fees and charges, purchasing, asset management and internal audit as unsatisfactory. The Auditor General performs his role very well. According to this report card of financial management in government schools, the Government is not going down the appropriate path by further devolving responsibility to the local areas when it is clear that schools are not coping with what they already have on their plates.

It is clear from this report card that there is enormous scope for professional development of principals. Given the rate of change in this area with the Curriculum Council and the local area planning framework, one would expect the budget to make an enormous allocation for the professional development of principals and teachers, yet that is not evident. In fact, the budget probably decreases the allocation to professional development. That is also of concern. How will the Government ensure that principals and teachers can handle the additional responsibilities that will be placed upon them as a result of devolution, and what resources will be made available to assist them to effect these critical changes to education?

Another interesting area, which I am sure will become clearer as time evolves, is local area planning and local staff selection. The idea of school communities being able to select their own staff has been mooted for some time. From my experience, every time the issue is raised, it leads to cries of concern from all sorts of people, because it has quite serious implications. If school communities that were resource rich were able to attract better quality teachers than school communities that were resource poor, what would that do for the quality of education across the board? It might be fantastic for a percentage of schools and students, but it would not be good for the system and all students. Many of these things are like the pieces of a jigsaw. I would love to be able to work out how all the pieces fit together, because that might make me a bit smarter about it all.

The issue of local selection of staff has been raised. This local area planning with local communities with enormous responsibilities coming to the fore has been put out for consultation over the next five or six weeks. We must ask whether the local area framework and the local area planning mean that local school communities can select their staff. If it does, why has it not been made public and what impact will it have on students and on the education system as a whole? I am quite convinced many people would be very interested in finding a relationship between these two policy initiatives, and also how the system will work in the future.

There is very strong evidence that a lot of confusion exists about devolution and its impact on local school communities and students. In the time I have spent in the education sector, there has always been a tug of war between exercising devolution and central control. My guess is that that will not improve much under the local area planning framework. At one level people in the Education Department want local communities to accept greater responsibility for initiating projects which will assist with the resourcing of education at the local level. While they give schools a bit of power in that respect, they also like to keep things centrally so they can play big brother when they feel a need to. That is not good enough. The Education Department will often shift the goal posts and create a great deal of confusion.

In the annual report from the Education Department Cheryl Vardon stated that devolution must not mean an end to central control. There seems to be a bit of conflict there. At one extreme we are talking about a local area framework which is about local school communities making their own decisions in a vast range of areas. At the other extreme the education system wants to maintain a centralist control model. I am confused and it would not be very surprising if many people within the education sector are also confused.

One issue that has not been discussed very widely is the impact of the local area framework on teachers and school communities. It has been put to me that in some school communities, schools may be arbitrarily closed which may have an impact on the needs of students to bus to school and to board away from school. As a result of this local area planning framework some schools may no longer have a full time principal. That position may be shared between two or more schools. Of course, that will have an effect on communications, for example, between parents and principals, teachers and principals, students and principals, and the school community and principals.

There is a strong view that the community must consider this shift in light of other proposed changes to education, such as the rewriting of the Education Act and the new curriculum framework. The consensus is that this is such a wide ranging shift in policy that the extent of consultation simply has not been broad enough. This document has been put out for consultation, for input from local communities, teachers and parents during only five or six weeks. In my opinion that time is totally insufficient. Parents have told me that they have gone to school community meetings to discuss this specific policy initiative and cannot get any answers. In some cases the principals have not been adequately briefed on the document or no departmental representative is in the local area; therefore, in many instances parents are bewildered and confused. This policy shift will have enormous implications for teachers. At a time when the Education Department is negotiating a new career structure with the State School Teachers Union, this policy document will severely impact on the career aspirations of many teachers. The policy within the document has the potential to reduce vastly their career promotional positions. This is all about downsizing and rationalisation, which means there will be fewer people and fewer opportunities within the system.

The morale within the Education Department is low, and has been so for quite some time. This policy direction will only exacerbate that. If this local area plan comes into force and schools are amalgamated or closed down, teachers may be forced to travel between schools. The sad thing is that even with these implications for teachers, there has been very little consultation with the State School Teachers Union. I am advised by members of that union that they were not consulted on this policy initiative. The first time they saw it was when the policy had already been formulated. I do not believe that is quite good enough. With the State School Teachers Union representing 15 000 teachers in this State, it should be included in all steps of policy development.

Hon Simon O'Brien: Is there a point when a draft policy of the Government is put before a union?

Hon LJILJANNA RAVLICH: In terms of what is acceptable on not only this issue, but also the Curriculum Council, consultation should be an ongoing process. This policy document has enormous implications for teachers, for the

way in which school communities do business, and for the way students will be taught; yet the teachers have been given five or six weeks within which to comment on it.

I refer to the Green Bill on the Education Act. I am having a very difficult time going through the document. It will take a lot of my energy to go through it. It is totally inadequate that only three months is given for consultation when the Green Bill is presented in this form. Parents have these things thrown in front of them and have limited time for consultation. Further, I am advised that sufficient copies of the Green Bill are available only for the principals, although some copies may have been given to the Western Australian Council of State School Organisations. If parents want a copy of this document, they must go to the school and request it. Schools are busy places and are strapped for resources. Their capacity to print 500 or 600 of these documents to hand out to parents is fairly limited in terms of the financial and other resources required to do that. That may not necessarily be their responsibility. It should be the responsibility of a central office. I do not buy the argument that something which is almost a fait accompli should be thrown at them and they should accept it.

Hon Norm Kelly: There is a Green Bill for a three month consultation period.

Hon LJILJANNA RAVLICH: Education was my profession, but it will take me three months to study the Green Bill. Hon Norm Kelly should bear in mind that many parents work and as a result do not have time to read very complicated Bills such as this. However, they will get the gist of it in the first 20 pages because it is all about fining people and increasing revenue. If they get past page 15 they will be lucky. At the end of the day this should be a money Bill, not an education Bill. It is a disgusting Green Bill. It is not good enough. Parents should be treated with greater respect and so should our community. More extensive consultation should take place and this Green Bill is totally inadequate.

A number of questions should be asked about the local area planning framework: Why has the local area planning document been so secret? Why are only enough copies available for the principal and the president of the parents and citizens association? Is it because the Government does not want widespread consultation on this policy initiative? On the face of it there is probably quite a bit of truth in that. After all, what will happen if people disagree and say they do not like any of it? What about the implications for the Education Department in having to rewrite this policy document?

Hon E.J. Charlton: It is not the final document; it is there for everybody to have their two bob's worth.

Hon LJILJANNA RAVLICH: I accept the point, my main question was: Why is it so secretive? Why could people not have been involved in its drafting?

Hon E.J. Charlton interjected.

Hon LJILJANNA RAVLICH: They got it at the end of the process.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order! Hon Ljiljanna Ravlich should address the Chair.

Hon LJILJANNA RAVLICH: I am sorry, Mr Deputy President, but Hon Eric Charlton is not concentrating; he is interfering with my train of thought and I can only put up with that for so long.

The DEPUTY PRESIDENT: Order! The Minister stands chastised!

Hon LJILJANNA RAVLICH: I do not understand why the time frame for feedback on this planning document is so short.

Hon Bob Thomas: It is a plot against Albany.

Hon LJILJANNA RAVLICH: It could well be. However, if the Government is dinkum about consultation why -

Hon E.J. Charlton: Where is Albany?

Hon LJILJANNA RAVLICH: The Minister for Transport should know where Albany is. If the Government is serious about wanting to talk about this policy initiative surely a five to six week consultation period is inadequate.

Hon M.J. Criddle: How long do you think a consultation period should be?

Hon LJILJANNA RAVLICH: About six months. What is the rush? Five to six months would have been adequate. Proper consultation on the Green Bill should be six to 12 months. We should ask the people what they want and then bring the Bill back to the drawing board and make suitable amendments.

The last question is: Why is the whole process built around the sale of schools, reduction in staffing and subsequent reduction in school grants? It seems to be a negative policy direction. It would be good if more came out of this

apart from basically downsizing and rationalisation. It is very negative. As I said earlier, I do not think "local area planning framework" is any more than a smart by-line for school rationalisation. In due course people will wake up to exactly what this policy initiative is. People generally have good cause to be concerned about the direction in which it might take us.

HON HELEN HODGSON (North Metropolitan) [9.35 pm]: I want to speak on a matter very close to me personally.

Hon Max Evans interjected.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order!

Hon Cheryl Davenport: The Minister should not devalue the member's remarks.

Hon HELEN HODGSON: I am referring to a matter which is very important to me personally and which concerns women's health issues, breast cancer in particular. This week is the twentieth anniversary of my mother's death from breast cancer. Given the attention to breast cancer during cancer week last week I thought it appropriate for me to make a few comments on the matter in this House.

Breast cancer is the most common form of internal cancer suffered by women in Australia. Projections are that it will increase by up to 46 per cent over the next few years. Losing my mother at such a young age has meant that I have a long term awareness of the disease, of the loss of life and of the impact it has on families of sufferers.

I dedicate my comments this evening to some breast cancer survivors, Joan, Joan and Glad, who have had surgery in the past 18 months and who are surviving well. Many deaths from breast cancer can be attributed to the lack of awareness by women of the disease. It can strike any woman at any age. My mother was only 38 when she was diagnosed with breast cancer and she died five years later. We must be aware of the cost that is left behind. It affects families, husbands and children and it leaves a cloud of fear over the female relatives of the women who die. We are always conscious that we are in the "high risk" category. When we read lists of what puts us in the "high risk" category we see many other factors and realise we are in a doubly or triply high risk category. We get a different perspective.

Over the past few weeks throughout Australia a series of morning teas have been held to raise funds for the Cancer Foundation of WA and to raise awareness of breast cancer in the broader community. I thank the people involved in fundraising at these functions. Two were held in Parliament House, one by the post office staff and one by the member for Collie, Hilda Turnbull. They made a very valuable contribution to the campaign.

We need to do much more. We must examine the therapies available these days and find ways to ensure that the right treatment is matched to the form of cancer a woman has. We must also research the causes of the disease to find ways to protect women in high risk categories. Twenty-five years ago, when my mother was first diagnosed, not many options were available. The choice was to have a radical mastectomy, followed by removal of the ovaries. If one survived for five years one might be clear. My mother did not make the five years. In those days cancer was a death sentence; it was more than just a word. I was still in primary school when she first contracted the disease. The stigma attached to cancer was so strong that I was not told what was wrong with her until she reached the final stages, five years after being diagnosed and it was obvious that the disease was recurring. In those days it was not something we told people about. It was something we kept private and quiet. Cancer was a nasty thing.

My mother felt a lump but like many other women who have felt a lump she was too frightened to attend the doctor and receive advice - and she left it too late. Probably the first aspect on which we should focus in our fight against cancer is awareness and screening programs. The breast screening program is a vital tool in our battle against this disease. Many women do not realise that the biggest risk factor - even greater than the hereditary factor - is age. As women get older the chances of suffering from breast cancer increase, and it is important that the breast screening program is available. Currently it is available to women aged between 50 and 69, who are invited to attend for a free mammogram every two years through BreastScreen WA. That is an excellent program but it does not provide well for women below the age of 50 who need to be able to access that sort of program. I have made a point of having regular screenings for the past 10 years, but I can afford to do so. Many women do not have the resources to pay the gap between the cost of the screening and the Medicare rebate.

We also have greater choice now in medical treatment. Lumpectomies, chemotherapy, radiotherapy, and other various forms of treatment are available, but they work only if the cancer is detected early enough.

Another important tool in fighting the war against breast cancer is public awareness. It is important for women to become aware of what is going on. They need to know the symptoms to look for, how to perform self-examination, and what they must guard against. As a result of research, treatment today is better than it was 25 years ago. Science has progressed and different forms of therapy have been developed. However, I draw attention to a program which

goes a step beyond the treatment of cancer and attempts to focus on prevention and prophylactic measures. I refer here to the International Breast Cancer Intervention Study, and I am pleased to say that Western Australia has a higher rate of participation in that program than any other State. The purpose of the study is to discover whether estrogen-blocking drugs, particularly Tamoxifen, which are known to reduce the occurrence of tumours, have a prophylactic effect. The study is funded by the National Health and Medical Research Council in conjunction with the Cancer Foundation of WA. It is the extra funding from the Cancer Foundation which has given the study a broader outreach in the community and has contributed to the higher rate of participation by women in this State. However, more participants are needed.

Funding for studies of this type is always precarious and competitive. The research team hopes that funds will continue to be made available to see the study through to its conclusion in the year 2000. However, a lot more needs to be done. About 8 000 women each year are diagnosed with cancer and about 3 000 die from the disease, often through misdiagnosis or ineffective forms of treatment. I was appalled to read statistics in the Australian Medical Association journal last week. The latest edition of the journal refers to a study of the 1993 Medicare records which indicate two very disturbing trends for women in Western Australia. More than 60 per cent of women diagnosed with cancer opted for the most radical form of surgery rather than breast-conserving treatment. Western Australian women have the worst record in that respect. A statistical study can indicate why this is the case, but I suggest that it means we must look at the culture of treatment of cancer in this State. Women must be made aware that if cancer is detected early enough, alternative forms of treatment have no higher morbidity rate than the more radical, disfiguring forms of surgery. About 80 per cent of patients diagnosed with early stage 1 or stage 2 carcinoma of the breast can be managed with a breast-conserving approach. Therefore, we must educate women about the options that are available.

The second disturbing factor is the statistics relating to the rural community. Cancer sufferers in rural areas are more likely to have radical mastectomies than women living in metropolitan regions. At the weekend I spoke to Joan, a breast cancer survivor. I asked her if she could think of any reasons that this might be the case. She thought that the answer was obvious: The problem is that rural women do not have access to appropriate medical facilities in the regions. Radiotherapy or chemotherapy can take up to six months, and during that time the woman must travel regularly to Perth on a weekly basis - or more frequently, in some instances - or find a method of living in the metropolitan region while undergoing treatment. Many women cannot afford that financial expense. Add to that the burden of leaving the family farm or business for the time required to be in Perth for treatment, and one can understand why it is easier to opt for radical surgery. Therefore, it is important to ensure that appropriate services are accessible in rural areas.

There are probably three items on my wish list relating to our fight against breast cancer. Firstly, I would like to ensure that all women are made aware of the risks, and that they undergo regular screening. Secondly, we must make sure that studies into the causes of breast cancer and its prevention receive adequate funding. Thirdly, women must be made aware of their options if treatment becomes necessary, and they should not be penalised by lack of access to alternative forms of treatment.

HON CHERYL DAVENPORT (South Metropolitan) [9.47 pm]: I congratulate Hon Helen Hodgson for her contribution to this debate. It was a very difficult speech for her to make, and I was very pleased that members settled down when they realised what she was to talk about.

In 1991 I was appointed by the then Minister for Health to the Women's Cancer Prevention Advisory Council. I continued to serve on that council after the change in government when Hon Peter Foss became the Minister for Health. I was a member of that council until mid-1994 when it ceased operations. During that time we witnessed major growth in the breast screening program which was initially a commonwealth idea funded predominantly by the Commonwealth Government and administered by the States. The first pilot screening unit was established at Cannington in 1989, and by the end of 1995 the program had been expanded to four mobile units which service the rural and remote areas of the State. I think there are still only six fixed screening units across the metropolitan area. When I was a member of the advisory council it was proposed that a service be established at Rockingham. However, two years later people are still waiting. A service is provided by a mobile clinic in Rockingham-Kwinana, which is part of my electorate. I am disappointed that the necessary capital funding has not been made available to service that area in a more permanent way. I am not aware whether a northern suburbs screening unit is in operation further north than Mirrabooka. I think a mobile unit was put into service in the Whitford-Joondalup area; however, I am not sure what happened with that service or whether a unit has been established in that area.

BreastScreen WA's "Report of the Mammography Screening Program for the year 1994-1995" states that data from a Western Australian health survey indicate that 69 per cent of women aged 50 to 69 years reported having had a mammogram in the previous two years. That is quite a good figure, but it is still not high enough. Given that that figure is for women in that particularly high risk age group, it is important that the figure be extended. On average, six women die every day in Australia from breast cancer. As Hon Helen Hodgson said, it is a serious disease and

the most serious cancer related disease from which women die. I was interested to hear the member say that although the target ages are 50 to 69, women with a history of breast cancer in their family are not able to get access to free screening services. I thought the BreastScreen WA program was able to deal with that group of women. My understanding is that they are also advised annually that they should present for screening. I am happy to check that.

Obviously the education process is important. One of the aims of the advisory council in the early days was to ensure that general practitioners were part of the process of making women aware that it was important for them to access those services. As somebody who has reached the age group where mammography is necessary on a biennial basis, I was referred by my GP initially and had my first mammogram over two years ago. Although it is not the most pleasant experience one can have, I am aware that it is most important we are able to access such a service. It concerns me, however, that I am yet to receive the two year notification for my next mammography. That brings me to my next point in this debate.

On 30 May an article in *The West Australian* dealt with a possible move by the Health Department to contract out services for the screening and assessment of breast cancer. I have concerns about that. My fears were not allayed when I saw the comments of the spokesperson for the BreastScreen WA service. The article states -

A spokesman for the department said yesterday that the BreastScreen WA service might be contracted out after a review of the program to ensure continued quality and efficiency.

It states further -

Health Commissioner Alan Bansemer has requested a review of the BreastScreen WA service to examine the option of contracting the screening and assessment services.

The department spokesman said in a statement the service would cost no more to run if it were contracted out.

But a department memo distributed to staff of the breast screening service said it could cost \$600,000 more - 10 per cent of the program's 1996-97 budget.

My concerns about this service being contracted out is that it may start off as a service that has no charge, but that in the end it will move to fee for service, as we have seen with a number of community services that have been contracted out over the past few years. I do not excuse my own party in relation to that. The trend has been to offer the service free to begin with, but then to move to fee for service. I have concerns about that. For women on low incomes that will become a discriminatory practice because they will ensure that their families are put first, and when their money runs out they will deny themselves access to a mammogram. I have no doubt also that access for women in rural and remote areas will be affected. I cannot imagine that private contractors will be able to carry out the services that can be carried out by a state government department the size of the Health Department and with the budget it has. One of the good things about this service, and the most important factor, is that because it is a statewide service of which the Health Department has carriage, everybody has access.

Another matter I am concerned about is that Western Australia has now only provisional accreditation that must be met at a national level. This is because the State's screening services do not have a side-by-side assessment service. We must have those as part of the national standard. To provide those sorts of assessment facilities to enable the State to regain its national accreditation will cost something like \$1m.

Another concern is the Health Department's lack of commitment to public health. Negotiations have broken down with the Commonwealth, which means that funding for services such as these must be found, often on a month by month basis. During the Estimates Committee I asked the Commissioner of Health whether he anticipated a funding reduction of between 2 and 10 per cent. He said it was unclear what the Commonwealth's position on the funding of programs was, of which this program was among a number of block grants. He said it was possible that commonwealth funding would be reduced; however, he did not envisage that happening. I asked him whether he had any idea of what the percentage might be. He said it might be up to 10 per cent, but that, again, he did not envisage that happening. I then asked when that would be finally determined. He was not able to tell me that either. I said that the next agreement was to commence from 1 July and that that was not far away - it is now seven days away. The Health Commissioner replied that next year's funding was due to start on 1 July but that a number of negotiations must take place around that. He did not expect that funding would be reduced. It is imperative that this important women's health program is not only maintained, but expanded. If members of the Government have any influence, I urge them to try to ensure that the Minister for Health does not succumb to bureaucratic pressure that denies women access to this vital service.

Debate adjourned, on motion by Hon Bob Thomas.

HAIRDRESSERS REGISTRATION REPEAL 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) [10.00 pm]: I move -

That the Bill be now read a second time.

In September 1994 this House referred a Green Bill for the repeal of the Hairdressers Registration Act to the Standing Committee on Government Agencies. The standing committee consulted widely about the role and effectiveness of the Hairdressers Registration Board and tabled its report on the Hairdressers Registration Repeal Bill 1994 on Tuesday, 28 November 1995. The report indicated that the standing committee saw no need for the continued existence of the legislation. The findings of the committee are consistent with reviews carried out under the previous Labor Government and the recently released report of the Commonwealth-State Committee on Regulatory Reform, "A Review of Partially Registered Occupations". This report to heads of government recommends the dismantling of registration requirements for occupations that are registered under legislation in some States and Territories, but not in others. In today's more complex business environment the legislation is creating inequities.

The Act sets up regulatory barriers for hairdressers, not only between Western Australia and other States and Territories, but also within the State. Legislation for the registration of hairdressers is not in place in Queensland, Victoria, South Australia, the Northern Territory or the Australian Capital Territory. The current Western Australian legislation does not apply to areas above the twenty-sixth parallel or outside an 8 kilometre radius of the general post office in Kalgoorlie.

The need to register hairdressers no longer exists as a number of broader and more appropriate legislative instruments regulate the operations of hairdressing salons. These include legislation relating to occupational health and safety, public health, fair trading and local government by-laws. Complementary to this legislative control is the state training system which supports training and provides for hairdressers' qualifications.

In its report the Standing Committee on Government Agencies recommended that the Minister establish a body to advise on matters affecting hairdressing, including training, accreditation, health and safety. In relation to training and accreditation of training programs, the industry has a voice through its representatives on the wholesale, retail and personal services industry training council. Furthermore, the industry has associations that are well placed to make representations to other Ministers on issues such as occupational health and safety and fair trading. Therefore, adequate avenues are available for industry to communicate with government. It is open to the industry to establish a professional body to coordinate activities and institute a code of ethics, conduct and best practice.

In repealing the Hairdressers Registration Act this Bill will also provide for the abolition of the Hairdressers Registration Board. Clause 6 of this Bill will facilitate the winding up of the board and the establishment of a hairdressing industry account at Treasury. Residual funds, generated from past annual registration fees paid by hairdressers, will be placed in the account and returned to the industry through the provision of training and support for the industry.

The Government intends to establish a committee that has representatives from industry to operate through the State Training Board to advise on how the funds can be used for the maximum benefit of the industry. I envisage that the money will be used for such things as examining assessment mechanisms to reflect national competency standards in hairdresser training.

In conclusion, the Government is committed to removing unnecessary regulation and financial burden on this sector of small business. The current legislation does not apply uniformly across the State and does not contribute to enhancing the delivery of hairdressing services. In 1996 the Hairdressers Registration Repeal Bill was passed in this House and read a second time in the other place. The repeal Bill did not proceed past that stage. There are no changes to this Bill from the Hairdressers Registration Repeal Bill that was introduced into Parliament in 1996. I commend the Bill to the House.

Debate adjourned, on motion by Hon Bob Thomas.

House adjourned at 10.03 pm

QUESTIONS ON NOTICE**TOURISM - KIMBERLEY TOURISM ASSOCIATION***Broome Facilities*

142. Hon TOM STEPHENS to the Minister for Tourism:

- (1) Has the Kimberley Tourism Association applied for funding from the National Tourism Development Program to build a tourism house and other facilities in Broome?
- (2) What is the amount sought by the association?
- (3) What funds does the State Government propose to contribute to this proposal?

Hon N.F. MOORE replied:

- (1) Yes.
- (2) Kimberley Tourism Association has anticipated \$250 000. In the final allocation, the KTA House Project was not granted funding from the Commonwealth Department of Industry, Science and Tourism's Office of National Tourism, which was processing applications for grants under the National Tourism Development Program.
- (3) No application for funding has been received by the WATC.

TOURISM - REGIONAL FOREST AGREEMENT*Steering Committee*

226. Hon J.A. SCOTT to the Minister for Tourism:

- (1) Is the Minister aware of concern within the tourism industry that tourism is not adequately involved or represented in the Regional Forest Agreement ("RFA") process?
- (2) Since departmental officials representing mining and logging interests are on the RFA Steering Committee, should a departmental official representing tourism also be on the steering committee?
- (3) If so, what will the Minister do to correct the current bias?
- (4) If not, why does the Minister support the bias in favour of mining and logging as opposed to tourism?

Hon N.F. MOORE replied:

- (1) Yes.
- (2) At Tourism Council Australia's (WA Chapter) State Council meeting, held on 13 March, attended by Mr Shane Crockett, the Commission's Chief Executive Officer, it was resolved that the WATC should represent the tourism industry's interest on this committee.
- (3) The commission is liaising with the appropriate Federal and State Governments to progress this representation.
- (4) Not applicable.

LAND - CLEARING*Kalgoorlie Consolidated Gold Mines Pty Ltd*

311. Hon J.A. SCOTT to the Minister for Mines:

I refer to the clearing of bushland for Kalgoorlie Consolidated Gold Mines Pty Ltd Fimiston II tailings storage extensions in early February 1995 -

- (1) Which person or persons from KCGM authorised the clearing of bushland without the Department of Minerals and Energy approval?
- (2) As a result of this clearing by KCGM, can the Minister advise whether \$60 000 to \$90 000 worth of sandalwood timber was lost due to KCGM not following the Department of Conservation and Land Management's land clearing procedures?

- (3) If not, why not?
- (4) How much, approximately, in dollar value of sandalwood timber was lost due to KCGM not following CALM's land clearing procedures?

Hon N.F. MOORE replied:

- (1) It is not known which individual officer or officers of KCGM was or were responsible for authorising the company's activities. The company was held responsible.

I am advised by the Minister for the Environment that -

- (2) No sandalwood was lost.
- (3) Not applicable.
- (4) Nil.

DECLARATIONS AND ATTESTATIONS ACT - AMENDMENT

Accounting Profession

378. Hon B.M. SCOTT to the Attorney General:

- (1) Is the Attorney General aware that the Declarations and Attestations Act 1913 contains an error of fact in relation to the schedule - section 2(b)(i), item 18: "A person who is accredited as a chartered accountant or a certified public accountant"?
- (2) Could the Attorney General advise the House when he intends to amend the Declarations and Attestations Act 1913 schedule to truly reflect the make-up of the accounting profession in Western Australia by including members of the three major professional accounting bodies - The National Institute of Accountants, the Institute of Chartered Accountants and the Australian Society of Certified Practising Accountants?

Hon PETER FOSS replied:

- (1) Yes.
- (2) It is proposed to make a number of amendments to the schedule in conjunction with any legislative changes proposed in respect of Justices of the Peace.

GOVERNMENT CONTRACTS - PRISONS

Substance Use Screening

386. Hon TOM STEPHENS to the Minister for Justice:

- (1) How many contracts have been awarded for the screening of substances used by prisoners in prisons and juvenile detention centres since February 1993?
- (2) Who has been awarded this or these contracts?
- (3) What were the respective value or values of this or these contracts?
- (4) What -
 - (a) savings; or
 - (b) additional costs,have resulted from the provision of each of these services by private contractors instead of by Government?
- (5) What mechanisms are in place to monitor the performance of private contractors instead of by Government?

Hon PETER FOSS replied:

- (1) Two (2).
- (2) Chemistry Centre of Western Australia and PathCentre.

- (3) The value of the contracts is variable depending on the number of tests conducted. The cost of the service from the Chemistry Centre of Western Australia was \$15 for each initial screening, and an average cost of \$114 for each 'confirmation' test. The cost of the service from the PathCentre is \$12 for each initial screening, and an average cost of \$55 for each 'confirmation' test.
- (4) (a) Savings are \$3 for each initial screening and an average of \$59 for each 'confirmation' test.
(b) Not applicable.
- (5) Contracts that are awarded require goods and/or services to be delivered within defined time frames, at specific locations, at agreed prices, for specific purposes, and where necessary reports on contract outcomes are requested by contract completion date. A Contract Manager is normally defined and this person is responsible for monitoring the contractors' performance/standard of goods delivered, and for incurring costs associated with contract performance.

GOVERNMENT CONTRACTS - PRISONS

Cleaning Services

389. Hon TOM STEPHENS to the Minister for Justice:

- (1) How many contracts have been awarded for the provision of cleaning services in prisons and juvenile detention centres since February 1993?
- (2) Who has been awarded this or these contracts?
- (3) What were the respective value or values of this or these contracts?
- (4) What -
(a) savings; or
(b) additional costs,
have resulted from the provision of each of these services by private contractors instead of by Government?
- (5) What mechanisms are in place to monitor the performance of private contractors instead of by Government?

Hon PETER FOSS replied:

- (1) Currently one (1). Note: Since 1993 numerous contracts have been awarded and details of these are not readily available. I am not prepared to direct the considerable resources to obtain this information.
- (2) Delron Cleaning Service.
- (3) \$11 660.
- (4) (a) Nil.
(b) Not applicable.
- (5) Contracts that are awarded require goods and/or services to be delivered within defined time frames, at specific locations, at agreed prices, for specific purposes, and where necessary reports on contract outcomes are requested by contract completion date. A Contract Manager is normally defined and this person is responsible for monitoring the contractors' performance/standard of goods delivered, and for incurring costs associated with contract performance.

GOVERNMENT CONTRACTS - PRISONS

WAFL Umpiring Services

392. Hon TOM STEPHENS to the Minister for Justice:

- (1) How many contracts have been awarded for the WAFL umpiring services in prisons and juvenile detention centres since February 1993?
- (2) Who has been awarded this or these contracts?
- (3) What were the respective value or values of this or these contracts?

- (4) What -
- (a) savings; or
 - (b) additional costs,
- have resulted from the provision of each of these services by private contractors instead of by Government?
- (5) What mechanisms are in place to monitor the performance of private contractors instead of by Government?

Hon PETER FOSS replied:

- (1) Currently one (1). Note: Since 1993 numerous contracts have been awarded and details of these are not readily available. I am not prepared to direct the considerable resources to obtain this information.
- (2) Jim Turley.
- (3) \$7 100 estimate.
- (4)
 - (a) Umpires have been engaged to umpire games involving offenders for a number of years and therefore comparative costs relate to engaging umpires from season to season.
 - (b) Not applicable.
- (5) Contracts that are awarded require goods and/or services to be delivered within defined time frames, at specific locations, at agreed prices, for specific purposes, and where necessary reports on contract outcomes are requested by contract completion date. A Contract Manager is normally defined and this person is responsible for monitoring the contractors' performance/standard of goods delivered, and for incurring costs associated with contract performance.

GOVERNMENT CONTRACTS - PRISONS

Bus Feeder Service

394. Hon TOM STEPHENS to the Minister for Justice:

- (1) How many contracts have been awarded for the bus feeder service in prisons and juvenile detention centres since February 1993?
- (2) Who has been awarded this or these contracts?
- (3) What were the respective value or values of this or these contracts?
- (4) What -
 - (a) savings; or
 - (b) additional costs,

have resulted from the provision of each of these services by private contractors instead of by Government?
- (5) What mechanisms are in place to monitor the performance of private contractors instead of by Government?

Hon PETER FOSS replied:

- (1) Currently one (1). Note: Since 1993 numerous contracts have been awarded and details of these are not readily available. I am not prepared to direct the considerable resources to obtain this information.
- (2) Sunshine Charters (Casuarina Prison).
- (3) \$19 240.
- (4)
 - (a) This service has been provided by a contractor for a number of years.
 - (b) Not applicable.
- (5) Contracts that are awarded require goods and/or services to be delivered within defined time frames, at specific locations, at agreed prices, for specific purposes, and where necessary reports on contract outcomes are requested by contract completion date. A Contract Manager is normally defined and this person is responsible for monitoring the contractors' performance/standard of goods delivered, and for incurring costs associated with contract performance.

GOVERNMENT CONTRACTS - PRISONS

Performance Management Systems

399. Hon TOM STEPHENS to the Minister for Justice:

- (1) How many contracts have been awarded for the delivery of performance management systems in prisons and juvenile detention centres since February 1993?
- (2) Who has been awarded this or these contracts?
- (3) What were the respective value or values of this or these contracts?
- (4) What -
 - (a) savings; or
 - (b) additional costs,
 have resulted from the provision of each of these services by private contractors instead of by Government?
- (5) What mechanisms are in place to monitor the performance of private contractors instead of by Government?

Hon PETER FOSS replied:

- (1) Currently two (2). Note: Since 1993 numerous contracts have been awarded and details of these are not readily available. I am not prepared to direct the considerable resources to obtain this information.
- (2) TAFE International WA and Aragon and Associates.
- (3) \$43 910 and \$18 000 respectively.
- (4) (a) TAFE International WA: These services were not previously provided in-house. The project was for a finite time with set funds and as the skills were not readily available within the public sector the most efficient option was to contract out the project.

Aragon and Associates: These services were not previously provided in-house. Conduct of training in this manner enables access to services which can be specifically targeted to Ministry of Justice requirements thus facilitating earlier completion of the Performance Management System.
- (b) Not applicable.
- (5) Contracts that are awarded require goods and/or services to be delivered within defined time frames, at specific locations, at agreed prices, for specific purposes, and where necessary reports on contract outcomes are requested by contract completion date. A Contract Manager is normally defined and this person is responsible for monitoring the contractors' performance/standard of goods delivered, and for incurring costs associated with contract performance.

GOVERNMENT CONTRACTS - PRISONS

Sessional Tutors and Clerical Services

400. Hon TOM STEPHENS to the Minister for Justice:

- (1) How many contracts have been awarded for the provision of sessional tutors/clerical services in prisons and juvenile detention centres since February 1993?
- (2) Who has been awarded this or these contracts?
- (3) What were the respective value or values of this or these contracts?
- (4) What -
 - (a) savings; or
 - (b) additional costs,
 have resulted from the provision of each of these services by private contractors instead of by Government?
- (5) What mechanisms are in place to monitor the performance of private contractors instead of by Government?

Hon PETER FOSS replied:

- (1) Numerous private contractors (teachers and tutors) work in each of the prisons and juvenile justice detention centres across the State on contracts ranging from one day to one term (10 weeks). Note: Since 1993 numerous contracts have been awarded and details of these are not readily available. I am not prepared to direct the considerable resources to obtain this information.
- (2) Mainly teachers and tutors, and in some cases specialist services eg St John Ambulance are accessed.
- (3) The contracts range from \$100 to \$5 000. (See 1).
- (4) (a) Not applicable - contract teacher/tutors have been engaged for the past 15 to 20 years.
(b) Not applicable.
- (5) Contracts that are awarded require goods and/or services to be delivered within defined time frames, at specific locations, at agreed prices, for specific purposes, and where necessary reports on contract outcomes are requested by contract completion date. A Contract Manager is normally defined and this person is responsible for monitoring the contractors' performance/standard of goods delivered, and for incurring costs associated with contract performance.

ABORIGINES - DEATHS IN CUSTODY

Implementation of Royal Commission's Recommendations

515. Hon TOM STEPHENS to the Minister for Transport representing the Minister for Aboriginal Affairs:

According to the Dodson Report, the Western Australian Government has indicated in its latest implementation report that most of the recommendations it had adopted from the Royal Commission into Aboriginal Deaths in Custody had been implemented. The Western Australian Aboriginal Legal Service also has reported on the progress of implementation. The ALS analysed 216 recommendations and found that 16 (8 per cent) have been fully implemented, 107 (49 per cent) have been partly implemented and 43 per cent have not been implemented at all, or implemented at a level which is entirely unsatisfactory. The difference in these two reports being extreme, can the Minister for Aboriginal Affairs explain -

- (a) why the two reports differ to such a degree; and
- (b) what the actual situation regarding implementation is?

Hon E.J. CHARLTON replied:

- (a) The Aboriginal Affairs Department (AAD) coordinates the responses of Government agencies which are required to report on the implementation of the recommendations of the Royal Commission Into Aboriginal Deaths in Custody (RCIADIC) Recommendations. Agencies are required to indicate whether the recommendations have been implemented or partially implemented, are being implemented on an on-going basis or have not been implemented. The AAD then consolidates these responses into the Government's Implementation Report.

The ALS has critiqued this report each year. In the introduction to its report 'Striving for Justice' the ALS has acknowledged that 'In some instances Government agencies may view the assessment by the ALS as being too harsh because the focus of the report is on what is not being done and the failings to date', rather than on the achievements of the Government. The ALS therefore interprets the Implementation Report differently from Government agencies and this interpretation seeks to be critical.

Government agencies seek to report on the implementation of the recommendations objectively. Western Australia is acknowledged nationally as the leading State in its reporting on the implementation of the RCIADIC Recommendations.

- (b) Based on the responses of Government Agencies which report on the implementation of the recommendations of the RCIADIC the most recent Implementation Report identifies the following situation regarding implementation -

fully implemented	40%
on-going implementation	40%
partial implementation	15%
not implemented	5%

ROYAL COMMISSIONS - FALSE TESTIMONY

Charges

519. Hon CHERYL DAVENPORT to the Attorney General:

- (1) On how many occasions have charges of knowingly giving false testimony to a Royal Commission been laid in Western Australia?
- (2) Against whom have these charges been laid and on what dates?

Hon PETER FOSS replied:

- (1)-(2) Since the commencement of the Office of the Director of Public Prosecutions in 1992, David Charles Parker is the only person charged with giving false testimony to a royal commission. He was committed for trial in the District Court in July 1995.

LAND - LANDCORP

Landline - Distribution

544. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Lands:

I read with interest the publication "Landline", distributed by LandCorp and ask -

- (1) To whom is this publication distributed?
- (2) What were the costs associated with:
 - (a) production; and
 - (b) distribution,
 of this newsletter?
- (3) For what purpose were photographs of the members for Bunbury and Joondalup included in this newsletter?

Hon MAX EVANS replied:

- (1) All LandCorp stakeholders, members of Parliament and local government authorities in which LandCorp operations are undertaken.
- (2) (a)-(b) Total cost of production and distribution is \$3 552.
- (3) Photographs of local members were incidental to the newsletter story introducing the new Minister for Lands in as much as they were present as part of the briefing process.

QUESTIONS WITHOUT NOTICE

The PRESIDENT: Before the first question is asked, I remind members that I advised the House last week that a number of television cameras would be installed today for the purpose of taking film during this part of the proceedings, and those cameras are now installed.

LEGAL AID COMMISSION - FUNDING

Commonwealth Contribution, 1997-98

585. Hon N.D. GRIFFITHS to the Attorney General:

- (1) What will be the Commonwealth's contribution to the Legal Aid Commission for the financial year commencing next Tuesday?
- (2) When was the Attorney advised of it?
- (3) When did he last speak with Hon Daryl Williams with respect to the matter?

Hon PETER FOSS replied:

- (1) I am still to be advised.

- (2) Not applicable.
- (3) Today.

TELECOMMUNICATIONS - INFRASTRUCTURE

Planning Requirements - State Government Responsibility

586. Hon NORM KELLY to the Attorney General representing the Minister for Planning:

- (1) Is the Minister aware that from 1 July 1997 new regulations governing the telecommunications industry mean that the State Government will be responsible for the planning requirements for installing telecommunications infrastructure, such as new mobile telephone towers and pay television cabling?
- (2) Is the Minister also aware that this means within seven days the State Government must have in place telecommunication specific planning rules?
- (3) Has the Government prepared any legislation to cover telecommunication specific planning rules?
- (4) Has the Government consulted local government associations in forming such legislation or rules?
- (5) If not, why not?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

- (1) Yes. The Commonwealth's Telecommunications Act 1997, which becomes operative with effect from 1 July 1997, will not include an immunity for carriers from complying with state laws.
- (2)-(3) No. Telecommunication specific planning rules need not be in place by 1 July 1997. The existing development control procedures incorporated in local and regional town planning schemes will apply.
- (4) The Western Australian Municipal Association has been fully involved with the State Government in giving consideration to the impact of the Telecommunications Act 1997.
- (5) Not applicable.

PROSSER, MR GEOFF

Correspondence with Ministers and Departments

587. Hon TOM STEPHENS to the Minister representing the Minister for the Environment:

- (1) On how many occasions has Mr Geoff Prosser written to the Minister, or the previous Minister?
- (2) What were the dates of this correspondence?
- (3) On how many occasions has Mr Geoff Prosser written to the department or authority under the responsibility of the Minister for the Environment?
- (4) What were the dates of this correspondence?

Hon MAX EVANS replied:

I thank the member for some notice of this question. This information is currently being collated and I therefore request that the question be placed on notice.

SHOPPING CENTRES - EATON

Dispute - Involvement of Mr Geoff Prosser

588. Hon J.A. COWDELL to the Attorney General representing the Minister for Planning:

In relation to the answer to question 573 on 19 June 1997, when reference was made to a series of meetings and letters written to discuss the development of the Eaton shopping centre, I ask -

- (1) Did Mr Geoff Prosser address or attend the series of meetings organised to discuss the development of the Eaton shopping centre?
- (2) Did the Minister for Planning receive any correspondence from Mr Prosser about this issue?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

(1)-(2) No.

POLLUTION - MINIM COVE

Octennial Holdings - LandCorp Liability

589. Hon J.A. SCOTT to the Minister representing the Minister for Lands:

- (1) Will the Minister explain why LandCorp has taken on liability for Octennial Holdings' toxic waste at Minim Cove, which could amount to millions of dollars?
- (2) Has LandCorp or the Department of Land Administration taken on contingent liability for toxic waste for any other developer at any other site in Western Australia?
- (3) If yes, which developers at which sites?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) It was necessary to work in conjunction with Octennial Holdings to effect an environmental rehabilitation of vacant crown land and associated freehold land formerly used under lease for industrial activities. With more than 90 per cent of the identified waste located on government land, and agreement from Octennial Holdings to meet its proportional share of the clean-up cost, it was determined to contain all wastes in a specially created cell to be held as a crown reserve for that purpose.
- (2) No.
- (3) Not applicable.

MR GEOFF PROSSER

Correspondence with Ministers and Departments

590. Hon TOM STEPHENS to the Minister for Transport:

- (1) On how many occasions has Mr Geoff Prosser written to the Minister?
- (2) What were the dates of this correspondence?
- (3) On how many occasions has Mr Geoff Prosser written to the department or authority under the responsibility of the Minister?
- (4) What were the dates of this correspondence?

Hon E.J. CHARLTON replied:

- (1)-(4) I thank the member for some notice of this question. The question is far too general. If the member would like to be more specific, I will endeavour to provide the information. I can advise the member that I am aware of one letter written to me by Mr Geoff Prosser. He asked me about increasing the amount of road funding for the south west of Western Australia.

Hon Tom Stephens: Did he try to look after his business?

Hon E.J. CHARLTON: No. I remember this letter specifically. He asked about increasing the amount of road funding allocated to the south west. I advised him it had increased from \$25m under the previous Labor State Government to \$66m under the current coalition Government. I also strongly recommended that, if he considered it should be increased, he obtain some additional funds from Canberra and add to it. I remember that letter specifically.

Hon Tom Stephens: But you have forgotten all the others.

Hon E.J. CHARLTON: The Leader of the Opposition is using the wrong bait in his fishing expedition, and I do not think he will catch anything.

RESOURCES DEVELOPMENT - COMPACT STEEL PTY LTD

*Rockingham Land***591. Hon HELEN HODGSON to the Leader of the House representing the Minister for Resources Development:**

- (1) Will the Minister consider approaches from different industries and other companies to utilise land in the East Rockingham Industrial Park previously under first right of refusal to Compact Steel Pty Ltd?
- (2)
 - (a) After having granted Compact Steel at least four extensions previously on its option on the land was another extension sought on this last occasion?
 - (b) If it was, why was it refused in this instance?
- (3) With the deferral of the project -
 - (a) what number of potential jobs have been lost, and
 - (b) how many potential export dollars have been lost?

Hon N.F. MOORE replied:

I thank the member for some notice of the question.

- (1) Yes.
- (2)
 - (a) Yes.
 - (b) Sufficient progress towards obtaining a suitable investor in the project had not been made.
- (3)
 - (a) Compact Steel estimated employment at approximately 700 direct jobs and approximately 2 000 jobs during construction.
 - (b) It is difficult to project the market value of hot rolled coil several years into the future.

TELECOMMUNICATIONS - INFRASTRUCTURE

*Approvals and Disputes Resolution Procedures***592. Hon E.R.J. DERMER to the Leader of the House representing the Premier:**

I first asked this question last Thursday and I was advised to ask it again today. I refer to the report in *The West Australian* of 18 June 1997 in which a spokesman for the Premier indicated that a coordinating group had been working for some time on the development of an approvals and disputes resolution procedure for the planning of high impact telecommunications infrastructure to be in place by 1 July.

- (1) Has the coordinating group developed recommendations for this approvals and disputes procedure?
- (2) If so, will the Minister table these recommendations today?
- (3) If not, why not, and on what date will the recommendations of this coordinating group be made available?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) With effect from 1 July 1997 the existing development control process established under state legislation will apply to applications to commence development of telecommunications infrastructure which are not deemed to be "low impact" by the commonwealth Minister responsible for the Telecommunications Act. The existing development control process includes rights of appeal.
- (2)-(3) Not applicable.

WATER AND RIVERS COMMISSION - LEASE

*Quays Shopping Centre***593. Hon TOM STEPHENS to the Minister representing the Minister for Water Resources:**

In relation to the Water and Rivers Commission lease at the Prosser owned Quays Shopping Centre in Bunbury -

- (1) What competitive tendering process did the Water and Rivers Commission go through prior to signing this lease?
- (2) When was the lease signed?
- (3) What is the period of the lease?
- (4) What is the total cost of the lease per annum?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) The Water and Rivers Commission did not negotiate a lease on the Quays Shopping Centre. The Government Property Office acted on behalf of the commission.
- (2) 1 May 1996.
- (3) To 30 April 1998.
- (4) \$58 586.

MINISTER FOR RACING AND GAMING - OVERSEAS TRAVEL

Itinerary and Cost

594. Hon NORM KELLY to the Minister for Racing and Gaming:

- (1) In relation to the Minister's upcoming trip to Europe and Asia, will the Minister table details of his itinerary such as departure and arrival times, places of accommodation, and estimated expenses prior to his departure? If not, why not?
- (2) Upon the Minister's return, will he table a report demonstrating the relevance and value of his tour, complete with actual itinerary and expenses?

Hon MAX EVANS replied:

- (1)-(2) I come from a background in business which involved partners travelling overseas to upgrade their knowledge and experience of business and clients. In fact, it was mandatory. Professor Alan Peachment of Curtin University told me the other day that he thought that members of Parliament from both sides should travel more often to find out what is going on in the real world. He thought they would benefit.

When I travelled overseas in 1994 I contacted the TAB people in Paris, Stockholm and London. As a result, we made many improvements to our TAB and have received many benefits from that visit. As a Minister, I can open doors to people and this State benefits from that. At the same time, I attended a lotto conference. Lotteries are virtually a cooperative around the world. We exchange ideas and views and by meeting people from other parts of the world, we have brought many benefits to this State.

Hon Tom Stephens: It had better, because it will be on the Internet soon!

Hon MAX EVANS: The Leader of the Opposition might have seen on television last night a report which indicated that it is illegal to buy or sell lottery tickets overseas. People in England are advertising the sale of English lotto tickets in Australia. Members are also aware of the report in Canada which involved the sale of tatts tickets at 1 400 per cent profit. We do not believe there will be any competition for the TAB on the Internet. There are 4 000 places on the Internet on which people can sell tickets.

Point of Order

Hon NORM KELLY: Will the Minister answer my question rather than the interjection by the Leader of the Opposition?

The PRESIDENT: Order! There is no point of order. However, the Minister will conclude his answer.

Questions without Notice Resumed

Hon MAX EVANS: I have been invited by Dr Ernie Manea, who was the president of world harness racing, to attend the world harness racing conference, which I will do. That will take about eight days. Earlier this year, I attended the Asian racing conference in South Africa, which I found of particular value. I run racing, trotting, dogs, TAB, lotto and insurance businesses and I have to keep abreast of those businesses overseas.

In 1994 the Premier and I visited three banks in Frankfurt. This had not been done by the previous Government for six years. I will visit the Dresdner Bank, the Deutsche Bank and the Commerzbank and the chambers of commerce and industry in Munich, Frankfurt and probably Vienna. I have a letter of introduction from the Chamber of Commerce and Industry of Western Australia, of which I was formerly the president. I have not resolved my accommodation arrangements; I will be working out of the London office. I will provide the member with the other information.

ADOPTIONS - MESSAGE BOX SYSTEM

Number of Messages Placed

595. Hon CHERYL DAVENPORT to the Minister representing the Minister for Family and Children's Services:

Under the 1994 Adoption Act, a "message box" system was created to enable parties to adoption to communicate with each other without disclosing their identities. I ask -

- (1) How many adoptee messages were placed in 1995 and 1996?
- (2) How many relinquishing mothers placed messages in 1995 and 1996?

Hon E.J. CHARLTON replied:

I thank the member for some notice of this question.

- (1) One hundred and ten were received from adoptees for the message box service up to 31 December 1996.
- (2) One hundred and fourteen were received from birth mothers for the message box service up to 31 December 1996.

DETENTION CENTRES - JUVENILE

Brain Damaged Teenager - Lack of Suitable Accommodation

596. Hon TOM STEPHENS to the Attorney General:

- (1) Is the Minister concerned about the report in Saturday's *The West Australian* in which a magistrate in the Children's Court was told there was no suitable accommodation to detain a 17 year old brain damaged teenager facing assault charges?
- (2) Does the Minister accept the magistrate's assertion as reported in *The West Australian* that finding such accommodation was the responsibility of the juvenile justice division of the ministry?
- (3) If so, how does this tally with the Minister's statement in *The West Australian* today that the teenager was not really a justice client?

Hon PETER FOSS replied:

- (1)-(3) I am glad that this question has been asked by the Leader of the Opposition, because it raises a moral point which has been dealt with by this Parliament and which will be dealt with legislatively once the legislation is proclaimed. It is an area that we must face on a number of fronts. One front that has already been faced is the problems dealt with by the sentencing legislation, which had the effect of denying people who are brain damaged from petrol sniffing being incarcerated in the Eastern Goldfields Regional Prison. I have explained what happened there. Under the communities legislation, people were being sentenced to periods of up to three months and were being placed in the gaol, in which, on an accrual basis, they served a life sentence. These people are almost brain dead in some instances and their behaviour arises from a physical condition which should not lead to criminal responsibility. It was a way of putting aside a medical problem; that is, a problem of dealing with people who have an addiction to sniffing petrol.

When this Parliament said, "You will not sentence people to periods of imprisonment of less than three months", it meant that that method could no longer be used. I was asked to introduce a change to that law, and I refused to do so on the basis that it was a medical problem and society could no longer do what it had done in the past; that is, allow the problem to be swept under the mat by putting those people into gaol. Similarly, people who are brain damaged should not be put into the justice system. During the Labor Government, Hon Joe Berinson introduced legislation that had the effect of decriminalising the public behaviour of people under the influence of alcohol. A more humane and sensible method of dealing with those people was developed and they were put into sobering up centres.

When debating the new Mental Health Act, we dealt with the question of people who had some form of mental impairment, and how that would be dealt with by the courts in future. In fact, the matter would not even get to the courts because a new system would be introduced.

This person whose behaviour is considered antisocial, if he had no possible excuse, would normally go into the justice system. Despite what His Worship said, I do not agree that people whose behaviour arises out of a mental impairment - in this case an acquired deficiency as a result of brain damage - should be dealt with in the justice system. In the seventeenth century, we dealt with so-called lunatics by whipping them. No doubt that quietened them. No-one would suggest that the current justice system should be used to deal with lunatics. I suspect that in 50 years from now - hopefully sooner - it will be considered improper to suggest that someone whose behaviour directly relates to brain injury should be dealt with in the justice system.

Whatever the magistrate might say, I do not agree that this person should be dealt with in the justice system. As from November, when the new mental health legislation comes into effect, that will definitely not occur. I believe it is possible for that person to be dealt with in the mental health system. I hope we will take a very definite step forward in the proper treatment of people who have such a disability by looking not only at the result but also at the person. It is the Disability Services Commission's strong belief that we should be judging the person not by external characteristics but as a whole. I hope that that will happen; if it does, we will have a far more civilised country than we have now.

EXMOUTH DISTRICT HIGH SCHOOL - STAFFING FORMULA

Reduction in Teacher Numbers

597. Hon HELEN HODGSON to the Leader of House representing the Minister for Education:

- (1) Will the new staffing formula to be implemented at Exmouth District High School in 1998 lead to the school's losing up to six teachers?
- (2) What percentage of the teachers in the primary school and secondary school will be lost?
- (3) If this is correct, what effect will this have on class sizes in the primary school and secondary school?
- (4) How many students does the Education Department predict will be in each class?
- (5) Will extra buildings be constructed or renovations undertaken to make classrooms larger to accommodate the extra students?
- (6) Will the school lose its key teacher under the new formula?
- (7) Will the school be able to accommodate the education support students currently in year 10 if they wish to continue in upper school in 1998?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. I have not had an opportunity to receive all the information required; it is very detailed. I ask that it be placed on notice.

MINISTRY OF THE PREMIER AND CABINET - COMMUNICATIONS UNIT

Director

598. Hon TOM STEPHENS to the Leader of the House representing the Premier:

- (1) Who is the director of the communications unit in the Ministry of the Premier and Cabinet?
- (2) Is the director a public servant or on a contract?
- (3) What is the director's salary, or the value of the contract?
- (4) How was the director appointed to the position?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) Mr Brian Coulter.

- (2)-(4) Mr Coulter is appointed on a term of government contract under the Public Sector Management Act with an annual salary of \$82 194. As a member of the executive vehicle scheme he is also entitled to limited private use of the government vehicle provided with his position.

MANDURAH POLICE STATION - SAFE HOLDING CELLS

Repayment of Advance

599. Hon J.A. COWDELL to the Attorney General representing the Minister for Police:

Some notice of this question has been given. When does the Government expect to repay the \$120 000 to be advanced by the City of Mandurah for the construction of safe holding cells at the Mandurah Police Station?

Hon PETER FOSS replied:

I have no record of that question.

POLLUTION - MINIM COVE

Cleanup

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

In relation to question on notice 758 asked by Dr Judy Edwards on 29 April 1997, which, on 29 May, the Minister refused to answer on the grounds that it would take considerable time and expense -

- (1) Has the research referred to in the question been carried out?
- (2) If not -
 - (a) On what basis can the Minister assure the community that the containment cell is and will be safe?
 - (b) Can the Minister assure the community that the taxpayers will not be liable for the cost of any clean up should the containment cell fail and leach toxic material into the surrounding environment?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) In the Minister's answer to question 758, he said that he was not prepared to commit valuable resources to compile the information sought. Accordingly, it has not been compiled.

The Environmental Protection Authority's Bulletin 807 covers some of the issues raised, and I seek leave to table that document.

[See paper No 536.]

- (2) This proposal has been assessed by the Environmental Protection Authority, including a separate assessment for the extension to the containment cell. The latter proposal was reviewed by a technical committee, which included eminent technical experts. The containment cell, together with monitoring and management proposals, was considered by the EPA to be environmentally acceptable, and on that basis approval to proceed with the project was given. The EPA's assessment process is both vigorous and thorough, with ample opportunity at several points for any factual evidence to be put forward for consideration.

MINISTER FOR TRANSPORT - OVERSEAS TRAVEL

Itinerary and Cost

601. Hon NORM KELLY to the Minister for Transport:

In relation to the Minister's upcoming trip to America -

- (1) Will the Minister provide Parliament with details of his itinerary and estimated expenses prior to undertaking his tour? If not, why not?
- (2) Will the Minister, following his tour, table a report to Parliament detailing his findings and experiences, and the relevance and value of his trip, complete with the actual expenses? If not, why not?

Hon E.J. CHARLTON replied:

I would like members to sit back and relax and imagine that the cabin attendant is about to walk down the aisle with the first drink. He will say, "Mr Charlton, I hope you enjoy your trip." I might as well give the details now rather than later because I can abbreviate them a little.

My prime task is to investigate whether conditions in Australia will allow an American designed road making machine to operate here at the same level of efficiency. The machine has the capacity to reconstruct roadways in five metre wide strips using the existing road surface. Recycling of that material currently does not occur. Following an assessment of the existing road surface, it is determined whether any new base material is required. If such additional material is required, it is held in a separate compartment of the machine. As the machine progresses down the roadway, it will add the additional material to form the base. The road is then ready for resealing. My information is that the machine has the capacity to reduce the costs, provided the contracts are for a large number of kilometres. It has been estimated that the cost of resealing a section of road by this method is between 25 and 30 per cent less than by the current method. The machine costs between \$5m and \$6m and before Main Roads Western Australia will let a contract and encourage the successful tenderer to import a machine, the Government must be confident that it will actually work well in Australian conditions.

Hon John Halden: Does that mean the private sector contractor will have to purchase the machine?

Hon E.J. CHARLTON: Yes, it does, but before anyone purchases a machine they want to be confident the contract will be big enough to warrant doing that, and the Government must be confident the machine will do the job. I will look at work which was done by this machine several years ago to see how the road surface has stood up. I will also look at work which is currently being done by the machine.

While I am in the United States I will take the opportunity of meeting the new owners of Perth Airport who operate airports in that country. We have had a lot to do with them and encouraged them to prepare a regional aviation development plan, which they submitted with their bid. I will look also at the public transport upgrades which were implemented in Atlanta - which is not far from where the road making machine is manufactured - for the Olympic Games. Further I will look at heavy haulage technology which monitors the movement of freight in the United States. On my return I will submit a report on whether the machine has application in Western Australia. I hope it will and I will share that information with everybody.

EMPLOYMENT AND TRAINING - CARNARVON

MidWest Training Group (Inc) - Expansion Funding

602. Hon KIM CHANCE to the Leader of the House representing the Minister for Employment and Training:

- (1) Is it correct that the Department of Training has allocated commonwealth sourced expansion funding for group training in Carnarvon to organisations other than the MidWest Training Group (Inc)?
- (2) Has the current provider of group training services in Carnarvon - that is, the MidWest Training Group - been advised by the Department of Transport that it will receive no additional funds for 1997-98 as a result of that decision?
- (3) Was the MidWest Training Group ever advised that it would be the likely recipient of the current expansion funds?
- (4) Will the MidWest Training Group be forced to withdraw its services from Carnarvon as a result of this decision?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. Further information is being sought on the circumstances of the expansion of group training in Carnarvon; therefore, I ask that the question be put on notice.