



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
FIRST SESSION
1998

LEGISLATIVE ASSEMBLY

Thursday, 21 May 1998

Legislative Assembly

Thursday, 21 May 1998

THE SPEAKER (Mr Strickland) took the Chair at 10.00 am, and read prayers.

GUILDERTON REGIONAL PARK

Petition

Dr Edwards presented the following petition bearing the signatures of 436 persons -

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

We the undersigned respectfully request that the Government establish a Regional Park immediately to the south of Guilderton in order to protect the mouth and lower reaches of the Moore River and the significant dunes and coastal heathland south of the mouth of the Moore River.

We request that the Government take urgent action to acquire this land before it is further rezoned or developed.

Your petitioners, as in duty bound, will ever pray.

[See petition No 220.]

KEWDALE AND BELMONT SENIOR HIGH SCHOOLS

Petition

Mr Ripper (Deputy Leader of the Opposition) presented the following petition bearing the signatures of 76 persons -

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

We the undersigned residents of Western Australia urge you to keep both Kewdale Senior High School and Belmont Senior High School open with the current year 8 to 12 campus arrangement.

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

[See petition No 221.]

CAR REGISTRATION FEE INCREASES

Petition

Mr Kobelke presented the following petition bearing the signatures of 14 persons -

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

We, the undersigned citizens are totally opposed to the State Government's decision to impose a new tax on Western Australian motorists through massive increases in car registration fees.

Western Australian motorists already pay directly for the cost of roads through State and Federal fuel levies. The revenue received by the State Government from the fuel levy and from the sale of the gas pipeline provides the Government with resources to develop our transport infrastructure. This new tax is unfair and has a disproportionate impact on middle and lower income earners.

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

[See petition No 222.]

WESTERN POWER AND ALINTAGAS SELL OFF

Petition

Mr Kobelke presented the following petition bearing the signatures of 11 persons -

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

We, the undersigned citizens are opposed to the sell off of Western Power and AlintaGas.

We believe they are the people's assets and should continue to be publicly owned and put service to the communities of Western Australia before investors profits.

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

[See petition No 223.]

STANDING COMMITTEE ON UNIFORM LEGISLATION AND INTERGOVERNMENTAL AGREEMENTS

Report

MR MINSON (Greenough) [10.07 am]: I present for tabling the twenty-second report of the Standing Committee on Uniform Legislation and Intergovernmental Agreements entitled "The Cooperatives Agreements" and move -

That the report be printed.

It is a pleasure to hand down this report on cooperatives law. I thank the Attorney General for referring the matter to the committee. Not enough Ministers make use of the resources of this committee. The committee has the ability to canvas public opinion. It can look at the ramifications of uniformity of the harmonising of legislation with some expertise and in detail. Often the committee finds out that legislation is contemplated only after the event. Therefore, it was a pleasure to receive a request ahead of time from the Attorney General.

Most people would realise that cooperatives are a great feature of the Western Australian landscape. Tongue in cheek, I can say that it is the sort of socialism that I support and I am comfortable with it simply because it is voluntary. People can set up cooperatives in opposition if they wish.

A previous report of this committee dealt with the various forms of achieving harmony and uniformity of legislation. This is a very good example of the States and Territories recognising a need, and without involving the Federal Government - because there was no need to - generating a set of core consistent provisions around which legislation would be built. This has been done through a working party put in place by the various Attorneys General across Australia. The plan is that each jurisdiction will draft legislation around those core provisions. In doing so, legislation will be arrived at which is acceptable to all States but which is enacted in the various States. Therefore, they retain their sovereignty but the public generally, the business public and those who use and form cooperatives are given what they need; that is, the ability to more efficiently trade across the borders of our States and to perhaps offer the sort of competition that is required in various States. It is a two-edge sword, because it makes it easier for other cooperatives to trade in Western Australia and we therefore will open ourselves up to the sort of competition that some people wish was not there! Nevertheless, the consumer, and indeed members of cooperatives, will eventually reap the reward of the efficiency that that will generate.

A cooperative does not have shares that can be bought and sold in the same way as a company. It cannot be likened to a company from the east or from some other place coming into Western Australia and making a takeover bid. A cooperative can come into Western Australia and, without altering the way that it trades, as long as it is operating under core consistent provisions which exist in all States, set up in opposition, but cannot take over unless the members of a similar state cooperative - that presumably is under pressure - agree and vote to be taken over or amalgamated.

It is consistent with achieving the new federalism in Australia, as we move into a new millennium - or what we hope will be the new federalism - whereby the integrity and the sovereignty of the States is preserved. We harmonise our laws and regulations such that businesses and individuals can cross boundaries and deal with the same types of legislation, so that if in New South Wales, for example, there is an opening for a Western Australian cooperative it can move over there and begin to trade without huge changes to its cooperative structure.

I understand the pressures that are on this House today to deal with as much of the Budget as possible, so I will be brief. This will be a landmark decision for Western Australia. It is part of the barriers breaking down across Australia to facilitate Australians in operating across the borders. It will benefit larger cooperatives and, I understand, has the full support of the cooperatives industry. With the exception of one member of the industry that was set up prior to the 1942 agreements, which felt that it would rather not have the competition, the industry wants it. The reality is that it can be subject to competition in any case, because it means that another cooperative can come here

and set up, but it must do so under our legislation. Apart from that one cooperative, which certainly has not been noisy in the past few weeks, I understand it has 100 per cent support from the industry in Western Australia.

I thank the rest of the committee, particularly my deputy chairman, the member for Burrup. Once again, I mention the contribution made by our legal and research officer, Melina Newnan, who is probably the most knowledgeable and competent person available to government or private industry in Western Australia on these matters of uniformity and harmonisation of laws. I hope that successive governments will use the talents that she has cultivated and refined over the past few years of this committee's existence. I also thank Peter Frantom - this is first report brought down since he became clerk- and Pat Roach who does much of the hard work at the Legislative Assembly annexe.

MR RIEBELING (Burrup) [10.16 am]: Before I speak on this report, I congratulate the member for Floreat for her elevation to Premier on the video. I think it was a very clever move.

Mr Barnett: Good team.

Mr RIEBELING: It is an interesting team.

This is the twenty-second report of this committee- a committee that has produced more reports than any other committee of this Parliament. It has produced reports on 22 different subjects. With that in mind, I hope that you, Mr Speaker, take note of the amount of work that this committee does when considering whether this committee should have a future, whenever that decision is made by your committee. The committee has produced a great volume of work and, if removed, will leave a gap in the scrutiny of this House.

This report is about cooperative law and I have one concern. Although leaders in the industry and the like are convinced that there would be no detrimental impact on small cooperatives in Western Australia, they are very excited about the ability to go to the eastern States to compete for business. However, the larger cooperatives in Australia reside in the eastern States and my concern is that the smaller businesses in Western Australia may suffer from the ability of eastern States' cooperatives to more effectively enter the market here. My concern always has been, and always will be, the long term future of small business in Western Australia. Industry thinks that this move will improve its lot and I hope it is right. I hope that the changes do not adversely impact on small business in Western Australia.

I also congratulate the Attorney General. I think he is the only Minister who uses our committee in the correct way. If he has a matter of uniform legislation to be tested to ensure that his Ministry is heading towards the right model, he uses our committee as a sounding board to ensure that the process is correct. The committee has responded to his requests as positively and as quickly as possible, hence this report.

I also thank Melina Newnan for her outstanding work yet again in the field of legal research. As the chairman said, her knowledge in this area of uniform legislation is second to none in Western Australia, and any private or government authority that needs an expert in this field should look no further than Melina Newnan.

Peter's work for the committee is outstanding. I hope he will sort out the problem with the lunches at some stage. I thank Pat Roach, who is always available for the committee's secretarial work. Her work is vital for a committee of this type that produces so many reports. People who are interested in small business should read this report. I thank the Attorney General for providing the material in sufficient time for the committee to comment, so this House has a realistic time frame in which to consider what is occurring in this area.

MRS HOLMES (Southern River) [10.20 am]: As a member of the Standing Committee on Uniform Legislation and Intergovernmental Agreements I commend this report to the House. I reiterate the remarks made by the member for Burrup and the chairman of the committee in commending the Attorney General for bringing this issue to the committee's attention. This matter has great relevance to the States and to cooperatives around Australia. This report has dealt with that issue in an excellent way. I commend the committee's legal research officer, Melina Newnan, and the committee staff.

Paragraph 2.3 of the report states that the issue of uniform cooperative law was brought forward at a national level because of a lack of consistency between the legislation of States and Territories in the area of cooperatives. As a result, a Standing Committee of Attorneys General was established. That committee recommended that cooperatives legislation of each State and Territory contain an interstate division which would provide for the interstate registration of cooperatives. That issue has been adequately dealt with in this report. I commend the report to the House and express my thanks to committee members.

Question put and passed.

[See paper No 1428.]

STATE UNDERGROUND POWER PROGRAM*Statement by Minister for Energy*

MR BARNETT (Cottesloe - Minister for Energy) [10.22 am]: The provision of underground power in established suburbs was part of the Government's 1993 election platform. Following storms in May 1994 and the extensive power blackouts which occurred at that time, the Government developed a long term goal that half of Perth's houses would be supplied by underground power by 2010, with corresponding changes in regional Western Australia.

While part of that process is the continued requirement for new subdivisions to have underground power, the need for substantial retrospective installation of underground power was also recognised. There was very little experience at that time of replacing overhead power lines with underground ones in established areas. In order to gain experience, both of the technical aspects and the administrative side, a pilot program was established. Under this program, it was agreed that the Government, Western Power and the relevant local authorities would pay one-third each towards pilot projects.

About 30 local authorities put in proposals for pilot projects. These were assessed by a steering committee convened by the Office of Energy with representatives from Western Power and the Western Australian Municipal Association. The steering committee recommended a two phase approach for implementation of pilot projects. The first phase was to be projects in Applecross and part of Albany. The second phase, following refinement of the proposals, was for a project in the Town of Cambridge and for another centred on Cottesloe.

The Applecross and Albany projects were successfully completed last year within budget. Both have been well received by the residents and both provided valuable experience. At present, the project centred on Cottesloe is under way and the Wembley project in the Town of Cambridge will start soon. In Applecross, 1 740 lots were converted and in Albany, 800 lots were converted. The Government's share of the budget for these two projects was \$10.5m. The Cottesloe-Claremont and Wembley projects between them will address nearly 4 000 lots and the Government's share of the budget for them is \$15m.

Following the enormous success and popularity of the pilot projects, I announced in January this year that there would be an ongoing state underground power program. Under this program the State will pay 50 per cent of the costs - including Western Power's share - of underground power projects with the relevant local authorities carrying the rest. The State has budgeted for \$28m over a three year forward program. In addition to major residential projects, like that in Applecross, the program provides for localised enhancement projects which are much smaller and address beautification of areas such as main streets and town gateways.

In February, I invited all local authorities to apply for funding under the first round of this program. At the closing date for applications, 22 major residential project proposals had been received from 14 local authorities and 39 localised enhancement project proposals had been received from 26 local authorities, of which about half were based in the country. This is a very positive response, demonstrating a recognition of the benefits that undergrounding provides in terms of both aesthetics and improved reliability of electricity supply.

The proposals are presently being assessed by the underground power steering committee with the aim of recommending those projects which should proceed next. Any projects not selected for implementation in this first round will be kept on file for consideration in the next round. The process will be one of prioritisation, not of acceptance and rejection.

In making its assessment, the steering committee will use the selection criteria published. Perhaps the most important of these is that, before a project goes ahead, there will need to be clear demonstration that the community is supportive. This is closely allied to the funding issue, since local authorities typically raise a special rate or service charge on affected residents to cover their share of expenditure. With major residential projects, technical factors will also be a significant issue in setting priorities so that those projects giving best value for money receive a high priority. With the localised enhancement projects an important criterion will be the significance of heritage, tourism, scenic or geographical issues in the project area. The strength and number of proposals has made the task of the steering committee a demanding one. Depending on the extent of interchange necessary with local authorities to refine and finalise the short listed projects for implementation in this round, I expect to be able to announce which projects will proceed in July or, at the latest, August.

CITY OF WANNEROO - LAWRENCE INQUIRY*Statement by Minister for Local Government*

MR OMODEI (Warren-Blackwood - Minister for Local Government) [10.26 am]: I rise to make a brief ministerial statement on the report of the inquiry panel into the City of Wanneroo.

On 12 May 1998 the Chief Executive Officer of the City of Wanneroo advised me that in accordance with section 8.19(1)(a) of the Local Government Act a meeting of the joint commissioners held on 28 April 1998 resolved to respond to the recommendations of the inquiry. The following actions are being taken or will be taken by the council in response to the report recommendations -

Recommendation 1: The functional review of the business units is proceeding and should be completed within four weeks. If there were no plans to split the city, the joint commissioners would proceed to publicly advertise the "senior employee" positions once that review was completed. In light of the announcement of the split of the city, the joint commissioners must first consider the appropriate staff structures and requirements of the two local governments to be created before advertising positions.

Recommendation 3: The joint commissioners intend to take all necessary steps to introduce postal voting at the next elections held in the City of Joondalup and the Shire of Wanneroo.

Recommendation 4: The joint commissioners engaged external consultants to advise how an appropriate system of risk management and compliance auditing could be developed. Their report has been received and is currently under consideration.

In relation to recommendations 2 and 5 the report does not require any action by the commissioners.

Having received the response I am now in a position to confirm that the suspended councillors are exonerated of any illegal or improper activity. In accordance with the provisions of the Local Government Act I propose the reinstatement of the councillors effective on 1 July 1998. As this is the date for the division of the city, the council will be abolished simultaneously and the reinstatement of the councillors will therefore not occur in a practical sense. However, I repeat that the councillors have been exonerated. This action on my part should not be taken by anyone to imply any diminution or reduction of that exoneration. Nor should it be taken as a comment on their present or future capacity to be councillors of any local government.

I am not returning them to control of the affairs of the City of Wanneroo between now and 30 June because I believe that to do so would be detrimental to the smooth running of the council and the continuity of planning for the creation of the two new councils on 1 July.

The five appointed commissioners currently managing the affairs of the City of Wanneroo are doing an excellent job and will continue in their positions until 1 July. On that date, all five will be appointed as commissioners of both the City of Joondalup and the Shire of Wanneroo.

Today's announcement virtually brings to an end what has been a rather tumultuous period in the history of local government in Wanneroo. The people of the district can now look forward with confidence to the creation on 1 July of two new and vibrant local governments delivering efficient and effective services to their communities.

JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION

Leave to Sit

On motion by Mr Barnett (Leader of the House), resolved -

That leave be given for the Joint Standing Committee on Delegated Legislation to meet when the Estimates Committees are sitting on Thursday, 28 May.

JOINT STANDING COMMITTEE ON THE ANTI-CORRUPTION COMMISSION

Leave to Sit

On motion by Mr Barnett (Leader of the House), resolved -

That leave be given for the Joint Standing Committee on the Anti-Corruption Commission to meet when the Estimates Committees are sitting on Wednesday, 27 May.

SELECT COMMITTEE ON PERTH'S AIR QUALITY

Report

MR TUBBY (Roleystone - Parliamentary Secretary) [10.30 am]: I present for tabling the report of the Select Committee on Perth's Air Quality, together with the minutes, the evidence and submissions put to the committee. I move -

That the report be printed.

It gives me a great deal of pleasure to present this bipartisan report to Parliament this morning. I am very pleased to report that the committee's work was undertaken in a cooperative way by all members throughout its deliberations. We have a number of problems with Perth's air quality, and our report provides a precise synopsis of that situation, together with the implications for the health of this city. We present 96 unanimous recommendations to deal with some of the major problems outlined in the report.

The committee members brought to the committee wide-ranging backgrounds and experience which was invaluable to the deliberations of the committee during the past 15 or 16 months. The member for Maylands is a former practising medical practitioner and her expertise and knowledge in the health arena was extremely valuable. She is also the environment spokesperson for the Opposition, so her knowledge and understanding of that area and the issues involved was a great benefit. The member for Vasse has a vast understanding of and much experience in the environmental arena. His expertise was greatly appreciated, together with the precise way in which he detailed the issues. He brought to the attention of the committee the finer detail which we could otherwise have overlooked.

The member for Fremantle is the opposition spokesperson for health. He has proved to be a valuable member of the committee. I commend him for his great interest in the public transport system in the metropolitan area. He has a deep understanding of those matters and made a significant contribution to committee deliberations.

The members for Maylands and Fremantle were instrumental in writing one of the very comprehensive parts of the report which is section 2 relating to health implications. The section underpins all our recommendations, and I urge members to read it because there will be some serious consequences for the health of our community if we do not address those issues.

The member for Wanneroo brought to the committee a background, knowledge and experience in local government. The Government or its instrumentalities cannot address the problems associated with Perth's air quality unless local government is involved significantly. I thank the member for Wanneroo for his contribution.

We all know that air, as well as water, is a basic need for sustaining life. We also know that for most of the time Perth's air quality is among the best in the world; but this is not a guarantee for the future, and any complacency shown now in planning and implementing air quality management strategies could lead to a less healthy future for our community. When considering this report and its recommendations, the Government should bear in mind the very real and confronting health effects linked to air pollution.

Scientific studies have shown that Perth's air quality is influenced by a variety of pollutants from a number of sources. From the start of the investigation it was quite clear that the committee's efforts would need to focus on considering all these sources, many of which result from our day to day lifestyle choices. It was also clear that a broad spectrum of possible strategies should be reviewed for their suitability in providing a basis for an air quality management plan for Perth. It must be accepted that no silver bullets remain to be fired at industry. The key issue for the future of Perth's air quality is transport based - cleaner vehicles, cleaner fuels and greater reliance on public transport.

Over the past few years photochemical smog and particulate haze have become a part of our everyday language. Scientific experts are researching and predicting the occurrence of these pollution events, the media is reporting on them, and our children are learning about them in class. It is an evolving science with which government policy development must keep pace. Flexibility will be the key for a successful, long term management strategy for Perth's regional air quality. That all the answers are not yet available is not a justification for delaying the necessary planning and implementation of strategies. It simply highlights the need to incorporate the knowledge gaps into the overall plan and to develop strategies that will progressively arrive at the answers. It is true that the technical aspects of the physical and chemical processes and reactions that affect our air quality can be somewhat daunting. However, it is important that this research continue and that the findings be embraced by the Government and translated into the language of the community.

The effect on human health of exposure to photochemical smog - ozone in particular - is well recognised. When inhaled, ozone can cause acute respiratory problems, aggravate asthma in asthmatics, and cause significant temporary decreases in the lung capacity of healthy adults. Exposure can also cause inflammation of lung tissue and impair the body's immune system defences, making people more susceptible to respiratory illnesses, including bronchitis and pneumonia. It has been found that children are most at risk from exposure to ozone and, since their respiratory systems are still developing, they are considered to be more susceptible than adults, and there is the possibility of long term damage.

There has been much discussion internationally on the health effects of exposure to particulate air pollution with a growing list of international research being reported. It is the committee's opinion that the protection of the community from the health risks posed by exposure to particulate air pollution is a matter of utmost importance. Airborne particulates come in a variety of sizes and from a variety of sources, including natural sources of sea spray

and dust and non-natural sources such as emissions from wood burning, petrol and diesel vehicle exhausts and coal fired power stations. I will not speak at length on the health implications. I will leave that to the members for Maylands and Fremantle who played a significant role in compiling that section of this report.

Photochemical smog is a pollution cocktail caused by the reaction of nitrogen oxides and reactive organic compounds in the presence of relatively high air temperatures and strong sunlight. Ozone is a product of this reaction, and the monitoring of ozone concentration at ground level indicates the presence of photochemical smog. Nitrogen oxides principally come from the combustion of fossil fuels - vehicle and industry emissions; with large quantities of reactive organic compounds coming from fuel evaporation - vehicles and refineries. Some ROCs are present in vehicle emissions as a consequence of the incomplete combustion of fuel.

The committee notes the evidence of the Department of Environmental Protection which acknowledges the importance of planning and implementing long term photochemical smog management strategies and that further ongoing scientific research is required to understand the complexities of photochemical smog reactions which determine the distribution of ozone across the Perth metropolitan region. Managing emission sources contributing to photochemical smog formation is a challenge facing this State which is considered essential if Perth is to have good air quality in the long term. Evidence presented by technical experts indicates that a single management strategy will not address this issue. The committee believes that the implementation of strategies to manage sources of photochemical smog precursors and photochemical smog events in the Perth air shed must be a priority for this State.

Particulate haze is caused by very small particles that are not visible to the eye, but in the air they collectively cause the scattering of light and thereby reduce visibility. Particulates come from fossil fuel combustion - petrol, diesel and coal; wood burning and wood fire smoke; industrial activities; dust; vegetation - pollen; and sea spray, predominantly salt.

To ensure that Perth's good standard of air quality continues, the committee considers it is essential that the State Government give consideration to establishing an air quality management plan that provides a framework for the ongoing management of air quality both technically and administratively. As I said, when I mentioned the contribution made by the member for Wanneroo, we must do that in conjunction with local authorities so that we can develop not only an overall state plan but also local air quality management plans under the framework of either local municipalities or regional conglomerations of municipalities to address local and regional issues within the Perth metropolitan area.

I will briefly outline some of the key areas investigated by the committee and detail some of the major recommendations in each area. One of the problems faced by the committee was that the key players in each of the major areas endeavoured to shift the blame for our deteriorating air quality onto another area: Industry blames motor vehicles, motor vehicle associations blame domestic wood burning heaters, and wood burning heater associations blame backyard burning and controlled burns by the Department of Conservation and Land Management, which in turn blames industry and motor vehicles. So, we have this vicious cycle that it is a major problem but someone else is creating it.

It is the committee's view that all areas make a contribution to our deteriorating air quality and that strategies must be adopted in all areas to deal with the problem as a whole. There is no question that Perth's love affair with the motor vehicle is a problem that must be addressed in association with planning for new suburbs and an integrated public transport network. That issue forms the largest section of the committee's report.

Due to the problems of excessive emissions produced by under maintained cars and over fuelled and poorly maintained heavy vehicles powered by diesel motors, the committee has recommended the introduction of annual emission testing for all vehicles along the lines of the highly successful Vancouver model. That model is explained in some detail in the report. The committee has also recommended random roadside testing for emissions to ensure that vehicles are maintained on a continual basis and not just in time for the annual inspection.

The committee has made a number of recommendations on improving public transport, the introduction of light rail, extensions to the heavy passenger rail network, extensions to the bus lane network and strategies to encourage greater use of bicycle transport.

The committee was most impressed by the dominance of bicycle commuting in Copenhagen, which has a similar population to that of Perth and a similar average commuting to work distance of 20 kilometres.

Mr Barnett: So, the committee gathered knowledge from both Vancouver and Copenhagen.

Mr TUBBY: We travelled to a few places to investigate solutions and strategies.

Mr Barnett: It was tough work all around.

Mr TUBBY: It was very difficult. The leader has no idea how we suffered in the freezing temperatures and snow. In excess of 30 per cent of the workers in Copenhagen commute to work by bicycle.

Mr Shave: Are you going to set an example and start riding to Parliament from Roleystone?

Mr TUBBY: As I said, when the committee visited the city on 1 November, which was the first day of winter, it had already started to snow but bicycles were still extensively used.

Another key area of concern is industrial emissions. The committee was very impressed with the progress that has been made by industries in the Kwinana strip to clean up emission levels in the area over the past 20 years. The only major problem remaining is the government-owned Kwinana power station, which causes major problems when burning coal. Retrofitting scrubbers to clean up the emissions would be a major and very expensive exercise. However, this is a significant problem that must be addressed by the Government if it is to take a lead in improving Perth's air quality.

Dr Turnbull interjected.

Mr TUBBY: The committee considered making some very substantial recommendations on that issue, but it decided not to in deference to the member for Collie.

Wood smoke is the third key problem for Perth's air quality. It is caused by the burning of wood in domestic heaters and open burning. A number of key recommendations have been made on domestic wood heaters, including banning the further installation of wood heaters in certain areas of Perth, the gradual upgrading of wood heaters in homes to meet current standards of design and installation and the gradual improvement of wood heater design standards overall.

The committee also recommended a complete ban on backyard burning in urban residential areas and a complete ban on all burning on development sites. There should also be greater cooperation between the Department of Conservation and Land Management and the weather bureau in respect of controlled burning in our native forests and on CALM plantations.

The consideration of community attitudes and opinions has been central to the committee's investigations and deliberations. The community wants good air quality and it is clear that people recognise some change is required to achieve that in the long term. However, it is not always clear how they expect that to be achieved. The general feeling is that the Government needs to provide the direction and facilitate the change. I cannot overemphasise the important role that community education and awareness programs will play in achieving a successful air quality management plan for Perth. There is a number of misconceptions about a variety of air quality issues and strategies and it will be a challenge for the Government to put in place the mechanisms to address them. I am also certain that this report will prompt much discussion in the community, industry, business and government.

Once again, I thank all members of the committee for the bipartisan way in which they worked and for the amount of effort each put into the activities of the committee, the development of the five discussion papers produced last year and this final report. I also sincerely thank Ms Deanna Tuxford for her brilliant work as research officer. On behalf of the committee I wish her well in her new job with the Department of Environmental Protection, which I believe will be overseeing the implementation of this report. I also thank our hardworking clerk, Victor Moate, and our assistant clerk Nici Burgess, who could not have had a better mentor than Victor to show her how to run her own committee. The committee's thanks also go to Pat Roach for the enormous amount of work she did in word processing the five discussion papers and final report. I commend the report to the House, the Government and the wider community.

DR EDWARDS (Maylands) [10.47 am]: I am very pleased to support this report. I hope that all members take the trouble to read it, because it is very valuable. Parliament can be proud that members have worked together as a team to come up with valuable recommendations. The report will also serve as a blueprint for how to tackle air pollution in the future.

Air pollution is a serious problem in Perth. Although intuitively we have all known that it is a problem and have heard various warnings, the situation was put most succinctly to the committee by the Commonwealth Scientific and Industrial Research Organisation, which stated -

Perth's summertime climate is most conducive of all major cities in Australia for the formation of photochemical smog.

It went on to say that it is inevitable as the population increases that Perth will experience worse problems, potentially making it the most polluted city in Australia.

Why are we concerned about air pollution? We are concerned because of the health effects. When I started work with this committee I had some knowledge of the health effects of air pollution. However, as members became more educated I became more and more concerned. We know that every year in Western Australia 70 people are said to die prematurely as a result of haze pollution. We always thought those deaths occurred when people were already ill with respiratory disease. However, we have found that it also affects those with heart disease, causing premature deaths and considerable morbidity.

Perhaps one of the most alarming features the committee discovered was the health effects on children. I am grateful that the committee had the opportunity to study the research done in British Columbia, which is a west coast area like Western Australia with similar climate and industry and similar problems. The very comprehensive health studies undertaken in that area established that even a tiny rise in particulate matter is accompanied by a 1 per cent increase in hospital admissions and also a 1 per cent increase in people suffering symptoms bad enough to take them to emergency rooms. However, there is also a 9.5 per cent increase in lost productivity through restricted activity. The committee did not know about those statistics. In Australia we have tended to focus on the severe scenario involving deaths and hospital admissions. However, it is becoming more and more apparent that air pollution affects people's ability to breath. While people have a big lung capacity they do not notice the problem, but as that capacity lessens they will have problems.

I was most alarmed by the work undertaken in British Columbia showing that children are more severely affected than previously acknowledged. The committee has made recommendations to the Health Department urging it to pay more attention to this issue. It has also recommended that a major study be undertaken to link hospital admissions data to air pollution data. I hope the Government will take up both recommendations as quickly as possible.

The member for Roleystone has spelt out some of the health effects of ozone, so I will not go through them again; however, I reiterate that ozone-like particulate matter affects children. I believe we have a serious risk of a problem in children that we are not investigating. Unless we start to look at the long term health effects and the effects of chronic exposure, we may well miss a problem that becomes apparent only later in life.

The first major finding of the committee was that the biggest culprit of the cause of air pollution is the car. In Perth we must tackle our love affair with the car. That will require behavioural and lifestyle changes and big changes in urban planning and transport design. The contribution by diesel fuel to air pollution also concerned us. The Perth haze study estimated that diesel vehicles contribute two-thirds of the total motor vehicle contribution of particulates to the Perth airshed. Given our diesel fleet is small, that figure is huge. The difficulty is that the diesel fleet is expanding quite quickly, and the rate of increase in diesel vehicles is quite high.

In this context I am disappointed with the Government's decision to proceed with the purchase diesel buses. I urge members to look at recommendation 44, where we suggest the Government give priority to the introduction of cleaner vehicles and cleaner fuels as part of the bus replacement policy. Another finding to do with the car includes a recommendation to have car pooling, and dedicated transport lanes for car pooling and buses. We also urge the expansion of both heavy and light rail and that motor vehicle testing be instituted. We also make important recommendations about fuel standards.

I must comment briefly on wood stoves and open burning. As the member for Roleystone said, one group tended to blame another as the main cause of problem; however, it became very clear to us that while overall motor vehicles contribute to photochemical smog and are a significant cause of the problem, at the local level open burning and wood stoves are the culprits. We put out a discussion paper with some quite draconian suggestions. As a result of the feedback and our own deliberations, we have tried to come up with recommendations to tackle the problem in the way it demands, but to do it in a fair, reasonable and balanced way. We have recommended that the Department of Environmental Protection continue its education programs so people use their wood stoves properly.

We also recommend speeding up the installation of stoves to the Australian standard. We have recommended that when a house which has a wood stove that is not up to the Australian standard is sold, the stove be replaced with one that is, or that it be removed or made inoperable. As a last resort, there is a recommendation that there be a facility to ban wood stoves in certain areas where we know the air quality to be very poor and where over time other measures have not worked to address that.

At this stage I will pay a compliment to the Department of Environmental Protection. I am aware of the valuable work it has done in this area. I was delighted to read in the submission of the Commonwealth Scientific and Industrial Research Organisation to our inquiry, that it regards the Perth haze study and the photochemical smog study as exemplary. For a body such as that to be commenting on studies overseen by one of our State Government departments is a great compliment to that department. It underlines the fact that we now have all the knowledge about the air pollution problem. What we need now is action to implement these recommendations to get on and tackle it.

In conclusion, I thank all the other committee members for the work they have done and for the open and bipartisan manner in which we conducted our affairs. It is very refreshing for Parliament to have committee reports where all members agree with the content. We should hold these up to the community to show that despite what sometimes is portrayed as what happens in Parliament, behind closed doors and fairly quietly constructive work goes on and we have the capacity to cross party boundaries and genuinely try to problem solve some of the big, difficult issues.

Mr Osborne: We are all lovely people.

Dr EDWARDS: I would not go that far! I commend the chairman on his leadership. If committees do not have a chairman who is prepared to allow that to happen, we cannot get good results. I thank, in particular, our research officer, Deanna Tuxford. Without her patience, forbearance and gentle guidance, we would not have come to these conclusions. I thank her for all the extra hours she put in meeting our needs and putting together an excellent report. We also could not have done without all the work of Victor Moate, our clerk, and Nici Burgess, our assistant clerk, and I thank both those people. Being on committees is one of the most satisfying aspects of work in Parliament, particularly for those members in opposition who at other times feel we are beating our head against a brick wall. I thank all committee members for their participation and urge all members of the Parliament to read the report and take heed of its recommendations.

MR MacLEAN (Wanneroo) [10.55 am]: I will start by thanking the committee staff members for their hard work and patience in bringing this report to fruition, especially our research officer, Deanna Tuxford, who was able to keep all members focussed when there were so many opportunities for the committee to take a different tack. She was also able to access people who were not only interesting and knew their subject but also could provide information to back up their statements. Mr Victor Moate, our clerk, was able to keep track of us all. Along with his many other duties he managed to have all of us arrive in the right place at the right time. As all members will appreciate, that is almost an impossibility with a group of five members of Parliament. Our assistant clerk, Nici Burgess, was a great asset when the committee was sitting in Perth taking evidence. I especially thank Mrs Patricia Roach who, in the background, worked through mountains of paperwork and evidence so the report could go to print. I, too, thank the other committee members who always showed a keen interest in the evidence being taken and the direction of the committee. As has already been commented on, because of the keen interest of all members, we were a very cohesive group.

The committee investigated a range of issues, from the use of controlled burning in our state forests and plantations to home wood heaters, and from industrial fuel emission to household emissions of no gases. We also looked at private versus public transport, and I will spend some short time commenting on this aspect. Perth has been designed for the use of the car. Whether we like it or not, when Perth was being developed in the fifties and sixties, the car was king. Planners and designers paid little attention to public transport or to the long term effect of private motor vehicle use. Perth had a very good central city trolleybus service, which I remember as a child. This service was dismantled in the late 1960s.

Planners are slow to change their thinking. Even today, there is a lack of encouragement for inner city development planners to do away with car parking spaces. Valuable land is being used to provide car parking spaces at the insistence of local government, even when these developments are next to public transport facilities. Western Australians do not have a public transport mentality, as do people in other parts of Australia and the rest of the world. In Melbourne, for example, where there is a mix of trams and trains in the older suburbs, public transport is well used. It is nothing for people to hop on a tram to go to the local shops or to hop on a train to travel to the city centre. Shops have free delivery services for local residents, for seniors, or for big orders. However, in the suburbs not serviced by trains or trams, public transport is restricted to buses and it is not used as extensively by the public, because people are unwilling to travel by bus, even to achieve similar shopping goals, as are the people in areas with trams and trains.

Of the two services, trams are by far the most popular, although trains or heavy rail can carry a heavier volume of traffic in times of peak service. Trains are most efficient in peak periods, but trams are better value in off-peak periods.

A city such as Perth with no extensive tram or train system must encourage a greater acceptance of bus travel. The new bus fleet will go some way to achieving this goal as buses will have a more modern look and easier passenger access. All of us at some stage have struggled to board a bus. When my family was growing up, it was almost impossible to manage a pusher, the young children's accompaniments and the young children when dealing with the bus steps while boarding.

More needs to be done. A total review of the pricing structure and a move away from direct recovery is needed as people need to be enticed to use public transport. The greater the distance people are prepared to travel on public transport, the greater the community good. A low flat rate or low maximum cost for public transport would encourage greater use by people living away from the city centre. Those who travel further would pay less in the long

run for that service. Also, these people are more likely than others to have single occupant car travel, which is the great detriment to Perth's air quality.

My preference is for a comprehensive tram service on every major road route, and that encouragement be given for developers to make public transport a feature of inner city living. We should encourage developers on tram routes to incorporate public transport in their developments. This would need the cooperation of local government. Such encouragement of developers is a feature of inner city developments in Melbourne. Being parochial, Wanneroo Road would be an excellent place to start a tram service!

Not everyone will or can use public transport. Even with a comprehensive public transport system, large numbers of cars and other vehicles will remain on the roads. Who among us has not sat behind a smoking vehicle at some stage, be it diesel vehicles belching black smoke moving away from traffic lights or the small smoke generating cars? One of the most frustrating aspects of these vehicles is that in the majority of cases they need only a small service to rectify the problem. Clean filters, new plugs and points where required and clean oil will prevent old cars from being smoke generators. The biggest problem with diesel engines is water in the fuel, which causes a build-up of a varnish-like substance on the injectors which changes the air-fuel mix and generates black smoke. Nothing is wrong with these cars apart from the requirement for a little TLC.

I strongly support the recommendation that the State examine and adopt a similar system to that used in Vancouver, which has a licensing system similar to ours. Their system of vehicle emission inspections would benefit not only Perth, but also the whole State. I recommend the report to members, the Government and the community.

MR McGINTY (Fremantle) [11.05 am]: As other members of this committee have done, I commend the report. Membership of this committee has been a pleasure. I join members in thanking other committee members, and particularly our research officer, Deanna Tuxford, for the bipartisan approach and the rigour which attended the work of the committee.

The important message from the committee's deliberations is that we should no longer regard air pollution as an industrial problem. Information received from the Department of Environmental Protection indicates that over recent years industry in the Kwinana area has more than pulled its weight in meeting appropriate standards of pollution emissions. The issue today is no longer industry but lifestyle. Therefore, the report has focused on the way individuals live. The challenge of how to live in a city with clean air requires each citizen to look at his or her lifestyle, use of motor vehicles and public transport, heating and the way suburbs are designed. Significant improvements in Perth's air quality can be made through appropriate lifestyle measures.

I am delighted with this report which has four key components. First, the turning point for a number of the recommendations stems from the consequences of a continuation of deteriorating air quality in Perth, which, from a health perspective, are too worrying to contemplate. It is not simply an aesthetic issue as it relates to the health of our citizens, be it the aged, infirm or the healthy, breathing polluted air.

Of particular concern is the issue of particulates released into the air by motor vehicles and other combustion processes. I underline the committee's finding that the protection of the community from the health risk through exposure to particulate air pollution is a matter of utmost importance.

During the course of our investigations we were made aware that the United States Environmental Protection Agency had developed a standard for ambient air quality in relation to fine particulate matter. In the past, a concentration was made on larger particles, which on the evidence we received from a health perspective do not pose the same health problems as smaller particles. The larger particles, once inhaled, are more readily expelled by the body's respiratory defence mechanism; that is, through coughing, sneezing and the digestive system. However, that is not the case with the fine particles which lodge in the body, are difficult to dislodge and cause more serious health related problems.

We observed throughout the community a high degree of acceptance of air pollution in cities. That is not unique to Perth. Urban dwellers tend to accept air pollution as a consequence of living in a city. Although the community may be aware that air pollution is bad for health, by and large the community is not aware that air pollution kills people. We were told that the number of deaths from heart disease triggered by particulate air pollution is greater than that for lung disease. That may come as a surprise to members of this House and the community. Nevertheless, it shows the pervasive effects of breathing polluted air.

Most people would think that breathing in particles or polluted air would have a significant effect on the lungs and respiratory system but the evidence we received was that that had a consequential effect on the heart and other organs as well and that the greater number of premature deaths caused by breathing in polluted air in fact related to heart disease and not to lung disease.

The other very important finding, particularly for people living in the south west of the State, was that the number of deaths caused by breathing in particulate matter is higher in the non-metropolitan areas. When one thinks about it, it is obviously the case. The practices of burning our forests and of wood burning associated with the forest industry, as well as the great use of wood burning stoves in areas which have significant access to free wood supplies, mean that people need to be aware that in the south west of the State the industry and lifestyle practices represent a serious threat to the health of people who are breathing in particulate matter at a higher rate than people living in the metropolitan area. Research elsewhere in the world has drawn to the attention of the public that people living in forested country areas where there is a timber industry are at greater risk from a health point of view. We note in our report that, translated to Western Australia, this could well mean that a similarly higher number of deaths are occurring in the south west of the State as a result of high seasonal particulate levels, unfortunately higher than those occurring in the metropolitan area.

It is not only a question of premature deaths and what is sometimes referred to as the harvesting effect of people who are perhaps on their last legs and unwell, who are hit by a bout of air pollution causing them to die a day or two or a week earlier. The research which the committee had the opportunity to analyse confirmed the relationships between particulate air pollution, mortality and also a variety of morbidity effects. The Harvard Six Cities study found that in various cases particulate air pollution caused increases in deaths not only in the elderly and sick, but also generally across the community. Of particular concern to all members will be the effects on babies and children. Other studies which the committee read investigated the impact that particulate air pollution was having on babies. Those studies found that mortality rates were found to increase with increasing levels of PM10 exposure. For normal birth weight babies high PM10 exposure was associated with deaths due to respiratory causes and sudden infant death syndrome. For low birth weight infants, high PM10 exposure was associated with death from respiratory causes.

As has been observed already and members will see when they read this report, particulate air pollution is mainly the result of vehicle and industrial emissions. The member for Maylands has referred also to particulate matter coming from diesel emissions. The health institution, which is a United States, independent, non-profit corporation that is jointly supported by the United States Environmental Protection Agency and industry for the purpose of providing high quality, impartial and relevant scientific advice on the health effects of pollutants, has found there to be consistent epidemiological data showing associations between exposure to diesel exhaust and lung cancer. Diesel exhaust has also been shown as a likely cause or to aggravate incidence of impaired lung function, asthma, allergic reactions and general respiratory irritation.

Also of importance in the light of some of the recommendations that have been made is the relationship between medical conditions and wood smoke. A study was done in Santa Clara County in California which demonstrated an association between ambient winter time PM10 and exacerbations of asthma in people attending hospital emergency rooms for treatment. One of the principal sources of that particulate air pollution was domestic wood smoke, in other words wood smoke coming from fires used for heating houses. Again, looking at children, the committee was advised that smoke from wood burning may have a significant health effect. A two year study found that both asthmatic and healthy children were affected by wood smoke. This effect related to lung function and the likelihood that children would cough and wheeze. It concluded that fine particulate matter from wood burning during winter periods had a significant association with acute respiratory irritation in young asthmatic children and that the relationship was greater than previously estimated. It also indicated that increases in particulate air pollution are associated with declines in asthmatic children's pulmonary function. Not only asthmatic children but also healthy children can be affected. Reference was made to Port Alberni in Canada, which showed that healthy children as well as those with asthma were affected by exposure to particulates mainly arising from domestic wood burning.

The committee then went on to reach the following conclusion in relation to health matters -

The Committee believes that the most important message from all of this research is that it is not yet certain if exposure at a young age will result in long term damage. The Committee also is very concerned that the air pollution levels creating concern are lower than previously suspected to be problematic. This has definite implications for this State, especially since only small changes in these low levels appear to be sufficient enough to increase the mortality and morbidity effects in the daily mortality and morbidity rates of people with pre-existing disease. Whilst the short term impact may be a harvesting effect of those sections of the population who may be more susceptible due to a compromised health status where increased daily mortality from respiratory and cardiovascular disease occurs, the Committee finds it disconcerting that the long term effect could mean the shortening of the entire population's life expectancy. Research is continuing to determine if long term exposure is associated with an increase in the rate of morbidity and mortality from respiratory or cardiovascular (or both) causes in the general population.

The Committee is not aware of any completed study undertaken for the Perth population to determine the extent of health effects nor the cost to the community from exposure to particulate air pollution. While an

estimated 70 premature deaths a year could be related to particulate haze in Perth, a greater proportion of the community will experience other, more immediate health effects, such as needing to increase medication or seeking medication.

I have spent some considerable time referring to the findings of the committee on the health impacts of air pollution and particularly in the form of particulate pollution coming from combustion processes, whether it be from motor vehicles or domestic wood heaters, because without appreciating the significance of the health impacts of breathing in polluted air, particularly on our children, some of the committee's recommendations may appear to be a little strong.

The committee has made recommendations, particularly involving public transport, wood fires and motor vehicles, which, I should imagine, will cause some debate in the community. Bearing in mind that this was a bipartisan committee from which there is a strong report unanimously recommending action, many of the recommendations about public transport fly in the face of what the Government has done in respect of Transform WA. I urge the Minister for Transport and the Government to take account of this committee's deliberations on public transport. Recommendation 21 reads -

Travel demand management within the Perth metropolitan region should be founded on the priority basis of providing fast, frequent and reliable public transport systems throughout the region.

Unfortunately we see a continuing emphasis on the use of the private motor vehicle, the widening of roads and the building of freeways. That is not the way to go. The committee further recommends that the State Government should commence to plan for the introduction of a high speed light rail network in the Perth metropolitan region. As an interim measure to the development of a light rail network, the State Government should allocate bus priority lanes along highways during peak traffic periods. The report further recommends that the State Government should expand the metropolitan rail network to encourage a decrease in private motor vehicle usage. I mention those because while a large number of recommendations are contained in this report, it is clear that the thrust of the report is for commuters to look to public transport, rather than have an ongoing dependence on the private motor vehicle, if we are to be serious in taking up the fight against air pollution in Perth. It appears that the Transform WA strategy is misplaced and will result in increased air pollution in the Perth region compared to alternative strategies.

Testing of vehicle emissions might be a difficult political pill for the Government to swallow, but it has been implemented now throughout most of Europe and North America and is on the agenda to be implemented in New South Wales. It will be a requirement for registration that a vehicle's emissions be tested. If we are serious about reducing the incidence of air pollution in Perth as well as ozone levels, then we have no option but to bite the bullet and implement emission testing so we can remove from the roads those vehicles which are emitting gross amounts of emissions and causing significant problems at the moment. Recommendations have been put forward along those lines, for both private vehicles and diesel trucks, and I support those recommendations.

The final area is the effects of wood burning. I have made reference to the impact on the south west community from exposure to smoke from forest fires, controlled burns and domestic wood heaters. We make a number of strong recommendations in relation to wood heaters and I draw the attention of the Parliament to four of those. Recommendation 67 is that the State Government should legislate to ban the further installation of wood fires and wood heaters in designated areas of the Perth metropolitan region with unacceptable local air quality. This ban should in place by July 2003 in areas that have access to reticulated natural gas. The areas that are envisaged are places such as Duncraig, which has been identified as having enormous air pollution flowing from the overuse of wood heaters in homes. We also recommend in recommendation 66 that at the time of sale of a dwelling in the Perth metropolitan region, wood heaters not manufactured to comply with Australian Standard 4013-1992 should be removed, replaced or rendered inoperable. Power is given in recommendation 71 to local government to prevent the installation of wood heaters where it is to be the sole source of heat, unless the building has been solar designed. Finally recommendation 62 states that local government should be given the authority to charge a rates levy on the installation of wood heaters and fireplaces after 1 July 1999.

I refer to those recommendations. They are strong and justified for health reasons. I commend the chairman and the committee for this report because it does have a vision for the future.

MR MASTERS (Vasse) [11.24 am]: I speak on this report of the first select committee that I have had the pleasure to work with. It was a most entertaining but also educational and challenging experience and I commend select committees to all members of this House as a very useful way in which to contribute both to their own community and to the State of Western Australia.

I wish to thank a number of people. First, I thank the chairman, the member for Roleystone, who did an excellent job. He was forthright, but also very constructive and steered the group together well, and this was all done while

he had some difficult family situations at home to contend with. The members for Wanneroo, Maylands, and Fremantle all made very important contributions during the course of the select committee and it is very important to recognise that there has been bipartisan support for every single recommendation in the report. I emphasise the fact that there is bipartisan support because the member for Maylands is the Opposition shadow spokesperson on the environment and I urge all her colleagues to accept and, wherever possible, to act on the committee's findings, even if it includes having to embarrass this Government or future Governments, should that be necessary.

I extend my sincere thanks to the research officer, Deanna Tuxford, who had the added handicap of being married during the course of the select committee's proceedings, which may or may not have distracted her. She has produced an excellent report that cannot be faulted for technical or any other reasons. Victor Moate who was the clerk to the select committee did an excellent job of organising us to ensure we were able to do things when appropriate and where necessary. I advise him I will keep the negatives and certain photographs in safekeeping for as long as is necessary! I also thank Nici Burgess who was our assistant clerk. She made sure that the committee ran extremely well while we were meeting here in Parliament.

In my few minutes, I will highlight a few key points. The main recommendation appears very early in the report. It recommends that an air quality management plan should be developed for all of Perth. The important point about an air quality management plan is that it is not just another plan that will be produced by public servants and thrown to the public saying, "We have come up with the solutions for Perth's air quality." An air quality management plan will force all government agencies to sit down together and address the many issues that have been raised in this report as being relevant to improving or maintaining the air quality that we have today. That is a most important task in its own right, to get all government agencies to discuss what is required. I need to emphasise that it is not just the State Government that has responsibilities in this area. The responsibilities fall also on the shoulders of local government - for example, in relation to smoke from wood fire heaters - and also the public in general - for example, the issue of a smog alert when there is a need for people not to use their motor vehicle, but to use public transport.

The question must be asked, why should we be concerned with Perth's air quality? The other members of the select committee who have spoken on this issue have emphasised the health complications related to Perth's air quality. Bad air quality gives rise to asthma and other respiratory problems, and as well there are previously unsuspected cardiac and circulatory effects that can lead to death or chronic illness. An estimate was made that air quality problems in Perth lead to 70 premature deaths in the metropolitan area; but we discovered in British Columbia that the per capita death rate in rural areas is far higher. In south west Western Australia, because of the higher death rate in rural areas, it is likely that 200 people are dying prematurely because of air quality problems. It affects not only the elderly, but also young children, asthmatics and other susceptible members of the public.

Five discussion papers were produced and the report is broken up primarily into those five sections. I commence with the industry discussion paper, with most industry being based at Kwinana. Essentially, industry is doing a good job and I commend all the Kwinana based industries in general for their financial and commercial commitments to maintaining and improving air quality. However, it is important to note that the BP refinery at Kwinana will need to reduce its emissions of reactive organic compounds, and Western Power will need to reduce its sulphur oxide and nitrous dioxide emissions.

Understandably, the discussion paper on smoke from domestic sources concentrated on wood fired heaters and they are a real hazard in certain parts of Perth. Some of the recommendations may be seen as radical; for example No 69 which recommends the prevention of the installation of wood heaters in new houses where they are to be the only source of heating unless the building is solar designed. However, the important point is that there are many fairly easy and straightforward solutions to the problem of domestic smoke in urban and rural parts of Western Australia. Emphasis needs to be placed on building design and the fact that energy from the sun is free and should cost no extra.

I am disappointed at the attitude displayed by the Department of Conservation and Land Management on smoke from rural and environmental burnings. Not one of the committee members was opposed to, or even particularly concerned, about the practice of controlled burning in our forests and conservation areas. There is a need to protect life and limb, no argument there, and a need to enhance environmental values. However, even if there is one pollution event in Perth affecting 1.4 million people, it is unacceptable because of the health implications for those people.

It is important therefore that CALM should be given greater financial resources so that on those few days a year when burning can occur safely - safely from the point of view of not polluting Perth's air quality - those extra resources should be used to burn off larger areas so that the net effect from one year to the next is unchanged.

I refer members to the committee's vision of Perth on the issue of integrating planning and transport. The report states at page 1 -

Perth's high air quality should be a reflection of the city itself. Clean air that is safe to breathe means that the city has an effective and efficient public transport system that is fully integrated within its urban design; where an imaginative blend of urban residential densities has created a community that uses the fullest range of transport methods and is therefore not car-dependent; and where industry provides employment and economic wealth without detracting from the city's attractive natural and social environments.

In summer months motor vehicles contribute significantly to air pollution. In spite of better technology, this will become worse due to the large increase in the number of motor vehicles predicted for metropolitan Perth. If Perth continues its dependency on the private motor car, our air quality will deteriorate. It is that simple. There is no argument to counter that. Therefore, when talking about planning and transport, the conclusions must be that we must have more public transport - rail, bus and other methods - and we must integrate it with the planning system. That means we should have higher density planning around train and bus stations, better urban subdivision layouts, encouragement to bicycles, bus lanes and so on.

I do not criticise the Transform WA program because, even though in 20 years its policy announcement may have been subject to criticism, I do not think Perth residents - and that includes most members of Parliament on both sides of this House as well as public servants - have reached the level of understanding, firstly of the seriousness of Perth's air quality problems, and secondly, the relative simplicity of the solutions. When the level of necessary comprehension is finally reached - and I believe it will be in just a few years - Transform WA may be the last major road expenditure in Western Australia for many decades.

To conclude, I thank all those people involved in the select committee. I acknowledge the bipartisan support for its recommendations and I emphasise the vision made in the statement at the beginning of the report that Perth's high air quality should be a reflection of the city itself. In other words, if we have good air quality we, in turn, will have a highly desirable and highly attractive city in which to live.

Question put and passed.

[See papers Nos 1424 to 1427.]

REVENUE LAWS AMENDMENT (ASSESSMENT) BILL

Second Reading

MR BARNETT (Cottesloe - Leader of the House) [11.37 am]: I move -

That the Bill be now read a second time.

This Bill seeks to put in place a number of state taxation measures announced as part of the 1998 Budget and a number of other measures designed to improve the equity and efficiency of the state taxation regime. The provisions in this Bill complement the other budget taxation measures contained in the Revenue Laws Amendment (Taxation) Bill.

To assist members in their examination of the proposed amendments contained in the Bill an accompanying explanatory memorandum has also been prepared. Specifically this Bill proposes amendments to the Debits Tax Assessment Act, the Debits Tax Act, the Financial Institutions Duty Act, the Fuel Suppliers Licensing and Diesel Subsidies Act, the Land Tax Assessment Act, the Pay-roll Tax Assessment Act, the Rates and Charges (Rebates and Deferments) Act, the Stamp Act and the Valuation of Land Act.

The Bill is structured into seven parts, the first part of which deals with preliminary matters such as the title and commencement provisions.

Part 2 of the Bill seeks to amend the Fuel Suppliers Licensing and Diesel Subsidies Act -

To allow the commissioner to determine the record keeping requirements for the holders of off-road diesel user certificates so that their purchase and use of diesel supplied at the off-road diesel subsidised price can be verified; and to rename the Fuel Suppliers Licensing and Diesel Subsidies Act by removing the reference to "Diesel Subsidies".

As members would be aware, the Fuel Suppliers Licensing and Diesel Subsidies Act forms part of the safety net measures which arose from a recent decision of the High Court. This case cast doubt on the ability of the States and Territories to impose ad valorem licence fees on businesses wholesaling petroleum, tobacco and alcohol products.

The Act supports arrangements which seek to keep diesel fuel prices in this State unchanged as a result of the High Court decision. It is anticipated that payments in the order of \$165m will be made to fuel suppliers and distributors

in Western Australia during 1998-99. The Commissioner of State Revenue is charged with administering the scheme and ensuring that payments are made in accordance with the Act.

The Act requires the holders of off-road diesel user certificates who have purchased diesel at the off-road diesel subsidised price to use such diesel in Western Australia; not use such diesel for propelling a road vehicle on a public road; and not supply such diesel to any other person.

The Act currently requires the records to be kept by off-road diesel users to be prescribed by way of regulation. Such prescription has resulted in one generic set of records being prescribed which apply equally to all off-road diesel users regardless of their circumstances or the extent of risk they could pose were they to abuse the scheme. These arrangements have been found to be administratively cumbersome and not sufficiently flexible to cater for the wide variety of off-road diesel users affected by the scheme. The proposed amendments seek to allow the commissioner to take account of an individual off-road diesel user's operations and any existing controls and record keeping arrangements in place, to impose the most efficient record keeping arrangements for that user.

The new arrangements will also permit the commissioner to establish record keeping arrangements for specific industry groups in consultation with the representative bodies of those groups. However, it will still be necessary for all record keeping arrangements to satisfy the commissioner that sufficient substantiation exists to indicate whether diesel purchased at the subsidised price has been used in accordance with the Act.

Furthermore, should a user feel that the requirements placed on them by the commissioner are excessive, the proposed changes will allow them to request the Minister to review the appropriateness of those requirements. In addition, this part seeks to amend the Act to remove the reference to "and Diesel Subsidies" currently contained in the title.

Significant concerns have been expressed, especially by the rural community, that such terminology is misleading in that it fails to convey that such payments are in fact being made to maintain a certain level of total taxation on diesel fuel imposed by the Federal and previously the State Government.

Part 3 of the Bill seeks to amend the Land Tax Assessment Act to implement three changes, namely -

- to phase out the 50 per cent concession applicable to universities, educational bodies and religious bodies in respect of land used or leased out for business, commercial, professional or trade purposes;

- to clarify that only one residential exemption is available for each taxpayer, subject to certain exceptions; and

- to provide legislative support for the inner city living land tax rebate scheme which currently operates under an administrative arrangement.

Turning to the first measure, the Act currently provides an exemption in respect of land owned by, vested in, or held in trust for a university; a bona fide educational institution not carried on for the purpose of private profit or gain; or a religious body, in circumstances where the land is used or reserved as a site for religious or educational purposes.

However, where the land is used by the owner or any other person for business, commercial, professional or trade purposes, the owner of the land is liable for tax at 50 per cent of the rate imposed by the Land Tax Act. The 50 per cent concession was introduced when the Act was rewritten in 1976. Prior to that date, all "charitable bodies", which included universities, educational and religious bodies, were fully exempt. To address the problem of charitable bodies speculating on large tracts of land, all vacant or unimproved land held by, but not reserved for the purposes of these bodies, became fully taxable.

Furthermore, land owned and used for business, commercial, professional or trade purposes became taxable at a 50 per cent concessional rate similar to that which applied under the previous land tax legislation to clubs and societies.

As a result of this concession, businesses which lease properties owned by universities, educational and religious bodies, or which are operated directly by these bodies have a competitive advantage over businesses leasing property from fully taxable owners. This is because under the terms of a commercial lease, it is usual for the land owner's land tax, including the benefit of any concession, to be passed on directly to the tenant. This is no longer considered appropriate, as it puts in place an inequity in the treatment of businesses dependent on who owns the property they lease. Furthermore, it places such bodies at a commercial advantage relative to other landlords when attracting tenants to their properties. This competitive advantage was highlighted recently when a shopping centre that was previously subject to land tax at the concessional rate, due to the owner's status, became liable at the normal rate when the property was sold.

As announced in the Budget, it is intended to remove this competitive advantage by phasing out this land tax concession over three years. The phased removal of the concession will give businesses that have enjoyed the

concession time to adjust. A 40 per cent concession will apply in 1998-99, followed by a 20 per cent concession in 1999-2000, prior to the full removal of the concession in 2000-01. Land used for the principal objectives of these bodies will continue to be fully exempt. The additional revenue from this measure is estimated to be \$0.2m in 1998-99, \$0.7m in 1999-2000 and \$1.2m per annum thereafter.

The second land tax measure in this Bill seeks to clarify the residential exemption provisions to ensure that only one residential exemption is allowed in an assessment year, other than in specific circumstances.

An exemption is provided in the Act for any lot or parcel on which is constructed a dwelling house used by the owner of the land solely or principally as his or her ordinary place of residence.

Recent decisions of the Land Valuation Tribunal have suggested that a person may have more than one ordinary place of residence for the purposes of the exemption, although no exemption has been granted on this basis. The intention of the legislation, as cited in the second reading speech at the time of its introduction, was to "remove land tax completely from the land under the family home". On that basis, an exemption has been provided in respect of an owner's principal place of residence as at 30 June preceding the year of assessment.

However, it was never contemplated that an owner would have two principal places of residence at 30 June other than in the specific circumstances recognised in subsequent amendments to the Act. Those amendments were made to -

- allow two residential exemptions for properties owned jointly by husband and wife where one of them uses the property as his or her ordinary place of residence, for example, following the breakdown of a marriage; and

- allow two residential exemptions for two residences owned in transitional circumstances.

To administer the Act on the basis that more than one principal place of residence existed would make the assessment process extremely difficult and could provide an opportunity for land owners to obtain an exemption in respect of their holiday homes as well as their usual places of residence.

It is proposed to amend the exemption provisions to make certain that only one residential exemption can be claimed in an assessment year, except in those circumstances specifically provided for.

The third land tax measure in this Bill seeks to amend the Act to provide legislative support for the inner city living land tax rebate. This scheme was an initiative of the previous Government as part of a policy to encourage inner city residential development and was administered by the Treasury prior to its transfer to the State Revenue Department with effect from 1 July 1997.

The transfer has resulted in efficiencies in the administration of the scheme for both eligible land owners and the Government. Notwithstanding that the scheme could continue to operate without legislative support, incorporation of the scheme into the legislation will offer opportunities to further streamline its administration.

The scheme itself provides for landlords who own inner city residential properties in a commercial or other non residential zone, to receive a rebate of the difference between their land tax assessment and what it would have been if the land had a residential zoning.

The number of eligible applicants and the value of rebates provided has reduced from a high of 92 applicants at a cost of around \$90 000 for the 1993-94 assessment year to 11 applicants at a cost of around \$12 000 for the 1996-97 assessment year.

The expected out-turn for 1997-98 and the budget estimate for 1998-99 is \$40 000. Subject to the passage of this legislation it is intended that a regulation will be made to prescribe the boundaries of the inner city area consistent with those which apply under the current administrative scheme.

Part 4 of the Bill seeks to amend the Rates and Charges (Rebates and Deferments) Act 1992, which provides State Government concessions to seniors and pensioners in respect of their council and water rates. The amendments seek to -

- facilitate the transfer of the administration of the Act from the Treasurer to the Minister for Finance;
- improve the efficiency of administration of the Act; and
- provide greater equity to those affected by the legislation.

Looking at the proposed changes in greater detail, the administrative responsibility for the Act has been transferred from the Treasurer to the Minister for Finance. As a consequence, a number of references in the Act to the Treasurer are no longer appropriate and it is intended to replace them by references to the Minister.

Furthermore, the operational administration of the Act has been transferred from the Treasury to the State Revenue Department. Accordingly, the delegation provisions of the Act are being amended to allow the Minister to delegate certain of his powers to the Commissioner of State Revenue and any other officer assisting the Commissioner. Other changes that are proposed include -

- an amendment to account for a change in the rating year of the Busselton Water Board from a calendar year to a financial year; and

- removal of references to the Coordinator of Water Services in the Act so that claims for reimbursement by local authorities can be made directly to the Minister rather than being channelled through the coordinator.

The current offence provisions of the Act are also being updated to clearly specify the period in which complaints may be laid against persons who commit a breach. In the absence of a specified period, reliance is placed on the Justices Act, that deems that a complaint must be laid within 12 months from the time that the complaint arose. This 12 month period is considered insufficient time to allow complaints to be laid against persons committing offences against the Act as it often takes longer than 12 months to detect any breaches, thereby effectively preventing the prosecution of persons that commit an offence.

To remedy this situation the Bill seeks to insert a five year limit in which complaints must be laid in order to prosecute persons who commit offences against the Act.

Finally, it is proposed that the Act be amended to extend its scope of operation. It is proposed that pensioners who own their place of residence may continue to claim a rebate or benefit of a deferment for that property on an indefinite basis when they are absent from their residence because of ill health, frailty, or other factors beyond their control.

A pensioner's rebate or deferment entitlement currently ceases when he has not occupied his ordinary place of residence in such circumstances after two years. This change will allow, for example, the spouse of the absent owner who continues to occupy the residence to enjoy the full rebate or deferment benefit, whether or not he or she is joint owner with the absent partner.

In addition, it is proposed that a person such as the surviving spouse of a deceased pensioner who continues to occupy the family home under a right of residency, pursuant to the terms of the will of the deceased pensioner, will continue to enjoy the full rebate or deferment benefit whether that person is an eligible person in his or her own right and is responsible for the payment of the rates.

Currently, only pensioners who hold a life interest in the property are entitled to claim the rebate or deferment benefit after the death of a spouse.

Part 5 of the Bill seeks to amend the Stamp Act 1921 to -

- ensure existing exemptions for certain nursing home and hostel agreements continue to apply;

- remove the secondary nexus requirement that links certain shares in foreign companies to Western Australia, thereby making them liable to duty upon transfer; and

- broaden the conveyance duty base by limiting the scope of the current exemption for chattels conveyed with real property, including mining tenements.

Division 2 of part 5 of the Bill seeks to address problems created in respect of existing exemptions for certain nursing home and hostel agreements resulting from the enactment of the Aged Care Act 1997 by the Commonwealth which became operative from 1 October 1997.

Members may recall that the Government announced its intention to legislate in this regard on 24 November last year, and at that time it was also indicated that the operation of these amendments was to be retrospective from the commencement of the Commonwealth Act.

Such an announcement was considered necessary to provide certainty for aged people entering such accommodation.

Exemptions are currently provided in the Stamp Act for -

- agreements under which charitable organisations grant a right of residency to aged and disabled persons pursuant to the objectives of that organisation;

- agreements under Part V of the National Health Act 1953 of the Commonwealth, between the proprietor of an approved nursing home and a person with regard to whom an approval for admission has been given, and relating to the care of the person as a patient;

agreements relating to the care of a person as a patient of a nursing home declared by the Minister by notice published in the *Government Gazette* to be exempt; and

an agreement between the proprietor of a hostel and an eligible person within the meaning of the Aged or Disabled Persons Care Act of the Commonwealth which relates to hostel care services for the person.

The introduction of the Aged Care Act nullified the existing stamp duty exemptions under section 112R of the Stamp Act because the exemption provided under that section for non-charitable nursing homes and hostels did not include agreements entered into under the Aged Care Act. Accordingly, that exemption could no longer apply.

This Bill proposes that section 112R be replaced to ensure that all agreements made under the Aged Care Act between an approved provider and the recipient of aged care services are exempt. This will ensure that aged care schemes offered by private hostels continue to receive the same stamp duty treatment as those operated by charitable organisations. Furthermore, the provision has been drafted in a manner broad enough to provide exemption for both existing agreements and any future agreements which may be required under the Aged Care Act, including for example, accommodation bond agreements should they be introduced in the future. This amendment is expected to have no revenue impact.

Division 3 of part 5 of this Bill seeks to remove the secondary nexus requirement that links certain shares in foreign companies to Western Australia, thereby making them liable to duty upon transfer. Under current arrangements the transfer of a share in a foreign company will be subject to stamp duty where the shares are registered on a register kept by the foreign company in Western Australia; or if the shares are not kept on a register by the foreign company in Australia, where a registered office is located in Western Australia.

These rules are referred to respectively as the primary and secondary nexus for foreign company shares. The primary nexus indicates clearly which foreign company shares will be subject to stamp duty upon transfer. The primary nexus will continue to apply to foreign company shares traded off-market where such shares are held on a register in Western Australia.

The foreign company secondary nexus was inserted into the Act in 1994 as part of the Australia-wide amendments to accommodate the clearing house electronic subregister system. It was considered necessary at that time to prevent register shuffling in foreign company shares, which could occur by moving the foreign company share off an Australian register to an overseas register in a country where no stamp duty is charged. However, unintended consequences of the secondary nexus have recently been brought to the attention of the Commissioner of State Revenue by a foreign company seeking to list on the Australian Stock Exchange.

Technically, if a foreign public company has a registered office in Western Australia, the secondary nexus provision imposes a liability on those shares which are traded on any overseas stock exchange or traded off-market in another country. For example, if a foreign company kept a registered office in Western Australia, the secondary nexus provision would operate to impose duty on all transfers of shares of the foreign company which occur outside Australia. While this provision has been in the Act since 1994, it has been virtually ignored by the foreign companies because the share purchaser was liable for duty on any shares transferred. However, 1997 amendments to the Stamp Act transferred the liability to the company if it entered an unstamped transfer in its register.

While the secondary nexus problem was highlighted in the context of a public foreign company, the problem also exists for all private foreign companies, although the potential liability is less likely to occur as shares in a private company are not transferred on a regular basis. From a competition policy perspective, the foreign company secondary nexus results in an undesirable anomaly when compared with the stamp duty treatment of Western Australian companies. The majority of shares in Western Australian companies which trade on prescribed overseas exchanges are exempt from duty. Only a limited number of foreign companies listed on the Australian Stock Exchange keep a Western Australian register or registered office. Information received from the Australian Securities Commission indicates the major shareholders of those companies, who hold greater than a 5 per cent shareholding, reside outside Australia and do not keep their shares on a register in this country.

The secondary nexus has been removed, or will be removed, in the majority of the other States as part of the stamp duty rewrite. New South Wales, South Australia, Victoria, the Australian Capital Territory and Tasmania will rely only on the primary nexus for foreign companies. Queensland does not currently have the secondary nexus provision for foreign companies in its Act. This measure will have only a negligible revenue impact, due to the limited reliance on the secondary nexus with regard to foreign companies. Although it is possible that a minor Australian shareholder will register-shuffle, the amount of duty avoided will probably not warrant such action relative to the costs involved.

Division 4 of part 5 of this Bill seeks to broaden the conveyance duty base by limiting the scope of the current exemption for chattels conveyed with land, including mining tenements. Western Australia is currently the only State which still provides a general stamp duty exemption for chattels sold in conjunction with real property. Common

examples of chattels conveyed with various types of real property include in the case of homes - curtains, rugs and furniture; in the case of businesses which own real property - computers, photocopiers and furniture; in the case of office buildings - moveable partitions; and in the case of mining tenements - removable ore crushing equipment, drilling rigs and other off-road vehicles.

The exemption for chattels dates back to the English law on which stamp duties in Western Australia was modelled in the 1880s, when it was apparently customary for a vendor to remove the chattels prior to selling a property. The exemption can no longer be justified on this basis. Furthermore, the exemption provides an incentive for taxpayers to minimise stamp duty by claiming that chattels account for an artificially high proportion of the total property value.

This measure extends the stamp duty conveyance base by charging duty on chattels that are conveyed in conjunction with land. For the purposes of these provisions, land includes mining tenements and long term leases which have an assigned or determined value. Chattels situated in Western Australia will be charged with duty where they constitute property transferred in conjunction with land; where units in a private unit trust are transferred and land and chattels constitute assets of the unit trust; and where shares in a land rich company are transferred and land and chattels constitute assets of the company.

Chattels will not generally be charged with duty when they are transferred with a leasehold business that does not own land. Where land and chattels are transferred together, or are deemed to be transferred together, the chattels will be liable to duty. In other words, where land and chattels form "one transaction or one series of transactions", duty will apply. A number of examples illustrating the types of arrangements that may be considered to be one transaction or one series of transactions are further detailed in the explanatory memorandum associated with this Bill.

As noted already, chattels will not generally be charged with duty upon the transfer of a leasehold business. Provided ad valorem duty is not charged on the lease assignment when a business is transferred, duty will not be charged on the chattels transferred with the business. However, if the lease has value and ad valorem duty is payable on its assignment, duty will be charged on the transfer of chattels, as the leasehold interest is considered to be land. The leasehold exclusion has been designed to ensure that no disparity exists between land transferred in fee simple and that where pseudo ownership is transferred by assigning a long term lease held over the property.

Several classes of chattels will be exempt from duty, regardless of whether they are transferred in conjunction with land. These exempt classes of chattels are stock in trade, including raw materials and goods under manufacture; vehicles, where stamp duty is chargeable on the transfer of a licence or which are specifically exempt from stamp duty under the third schedule of the Act; chattels used or located on land used for farming purposes; and other chattels as prescribed. It is not intended to prescribe any chattels as exempt at present. However, the power has been inserted to provide flexibility in the future should it be considered appropriate to provide an exemption for certain types of chattels.

The proposal that chattels sold in conjunction with a farm should remain exempt from stamp duty reflects that they are often expensive and can account for a relatively high proportion of the total value of the farm. This is clearly the case with plant and equipment such as harvesters and tractors. It was considered that to subject such chattels to stamp duty would have been unduly harsh, particularly given the relatively low return on capital generally achieved in farming relative to, say, mining.

To prevent avoidance of duty on chattels sold in conjunction with land, amendments are also proposed to the "Clayton's contract" provisions of the Act to ensure that the duty payable on chattels cannot be avoided by transferring their ownership in an undocumented manner. These provisions will operate where the beneficial ownership of both chattels and land changes. They will also apply when a transfer of land is documented, and chattels are transferred by some other arrangement.

Amendments are proposed to the land rich company and private unit trust provisions of the Act, which have the effect of charging duty on the gross value of the land and chattels held by the company or unit trustee when an acquisition of shares in the company or a disposition of units in the trust occurs.

An anti-avoidance provision is also proposed to ensure that duty cannot be avoided by transferring the chattels out of the unit trust structure, before the transfer of the units takes place. The anti-avoidance provision will operate where the chattels are transferred directly or indirectly to the person who benefits from the disposition of the units. Similar provisions are also proposed to be inserted in the land rich company provisions, although it is less likely that avoidance of the chattel duty would occur by transferring chattels out of the company structure, as the land component of the company would be increased.

Unlike the general conveyance provision, only motor vehicles that are specifically exempt under the third schedule will be exempt chattels. Motor vehicles within a company or unit trust structure would be considered to be dutiable as chattels, as no duty is paid under part IIIC of the Act when the shares or units are transferred.

This measure is estimated to raise additional revenue of \$10m in 1998-99 and \$12m in a full year, which is equivalent to around a 3 per cent increase in the conveyance duty base.

The chattels measure and the proposed conveyance duty rate increases contained in the Revenue Laws Amendment (Taxation) Bill are not expected to have a significant impact on property market activity in the current low interest rate environment. Nevertheless, to cushion the impact of these measures on lower income earners, the Revenue Laws Amendment (Taxation) Bill also seeks to increase the existing stamp duty concessions for home buyers and purchasers of a small business.

Part 6 of the Bill seeks to amend the Debits Tax Act 1990, the Debits Tax Assessment Act 1990, the Financial Institutions Duty Act 1983 and the Stamp Act 1921 to cater for proposed amendments to the Cheques and Payment Orders Act 1986 of the Commonwealth.

The proposed changes to the financial institutions duty legislation and the Stamp Act are to cater for changes in definitions in the commonwealth Act to which the state legislation refers and to recognise that the commonwealth legislation will remove payment orders as a financial instrument.

The major impact at which this Bill is directed pertains to debits tax. As members are aware, debits tax is imposed on taxable and eligible debits made to accounts upon which either cheques held with banks or payment orders held with non-bank financial institutions can be drawn. To encourage competition in the provision of financial services to the community, the proposed amendments to the commonwealth legislation will allow building societies, credit unions and their industry special service providers to issue cheques in their own names. Special service providers are bodies established by the credit union and building society industry associations to provide for payment settlement and clearance functions for their member entities through agency cheque arrangements. Their establishment allows these smaller financial institutions to combine to offset the comparatively high cost of participating in the cheque payments system. Customers of building societies and credit unions will be able to draw cheques on their own financial institution, or on their institution's special service provider, instead of on a bank through agency cheque arrangements, as at present. The amendments to the commonwealth legislation will also remove payment orders as a payment mechanism.

As a consequence of the proposed amendments to the commonwealth legislation, under the current debits tax and stamp duty legislation, no liability would arise from cheques written on an account held with a building society, credit union or a special service provider. Accordingly, the amendments proposed in this Bill will ensure that debits to accounts upon which cheques can be drawn held by building societies, credit unions or special service providers will be treated for debits tax and stamp duty in the same manner as a bank. This will ensure that the revenue currently derived from cheque facilities operated by building societies, credit unions and special service providers is preserved. However, no competitive advantage would result for such entities as a result of the state taxation regime relative to the taxation position faced by the banking sector.

The commencement provisions in relation to the proposed amendments provide that these changes will come into operation upon the commencement of the operation of the amendments to the Cheques and Payment Orders Act.

Part 7 of the Bill seeks to amend the Stamp Act 1921, Financial Institutions Duty Act 1983, Pay-roll Tax Assessment Act 1971 and Land Tax Assessment Act 1976 to allow the Commissioner of State Revenue to approve forms required by those Acts. Currently, certain forms are required to be prescribed by way of regulation and this limits the commissioner's ability to make minor adjustments without undertaking a time consuming regulatory exercise. In contrast, other legislation administered by the commissioner requires only that applications and statements be in a form approved by him. These include valuation forms, applications for refunds, rebates and concessions, and various other registration and assessment forms. It is considered that the use of "approved", rather than "prescribed", forms is a more flexible approach which better facilitates the efficient administration of the state taxation regime.

Subject to passage of this legislation, it is intended that regulations will shortly be made to repeal the majority of prescribed forms. I commend the Bill to the House and for the information of members, table the associated explanatory memorandum.

[See paper No 1429.]

Debate adjourned, on motion by Mr Cunningham.

ACTS AMENDMENT (ABORTION) BILL

Council's Message

Message from the Council received and read notifying that it had agreed to the amendments made by the Assembly.

REVENUE LAWS AMENDMENT (TAXATION) BILL*Second Reading*

MR COURT (Nedlands - Treasurer) [12.04 pm]: I move -

That the Bill be now read a second time.

This Bill seeks to implement the taxation rate changes announced in the 1998-99 Budget by amending the Land Tax Act 1976 and the Stamp Act 1921. The balance of the budget taxation measures are contained in the Revenue Laws Amendment (Assessment) Bill. As has been the usual practice with revenue laws legislation, both Bills are accompanied by an explanatory memorandum to provide members with more detailed information on the proposed amendments.

The budget revenue measures contained in this Bill are essential to fund the continued provision of quality services to the Western Australian community. The tax rate changes contained in the Bill will reduce the land tax rates and increase certain stamp duty rates. The increases have been targeted to areas where Western Australia's rates are currently low in comparison to most other States. Members will be aware that the shortcomings in the Commonwealth Grants Commission process are making it increasingly difficult for Western Australia to keep its tax rates below those elsewhere. The Grants Commission has progressively reduced Western Australia's share of grants in recent years, to the extent that our 1998-99 grant will be some \$235m less than if the funding share from five years ago had been maintained. Most of this reduction is a result of Western Australia's strong economic performance and associated higher revenue raising capacity, as the Grants Commission's methodology has the effect of transferring grants from the better performing States to the weaker States. Unfortunately, this methodology makes no allowance for the public infrastructure demands created by a fast growing economy which must of course be funded. The stamp duty measures which I will outline shortly are a direct response to that funding need.

I turn firstly to the proposed land tax changes contained in this Bill. Land tax relief was announced as part of the 1998-99 Budget. The Bill seeks to amend the Land Tax Act 1976 to introduce a new land tax scale to apply from the 1998-99 year of assessment. The new scale is intended to ameliorate the impact on land tax payers of recent sizeable increases in unimproved land values. It has been designed to provide land tax relief to most taxpayers, and especially those with land in the middle land value ranges, who are most affected by the progressivity of the land tax scale, which compounds the effect of land value increases. For example, under the proposed scale, a taxpayer owning land with an aggregate taxable value of between \$150 000 and \$500 000 will be issued an assessment in 1998-99 that is between 9 per cent and 27 per cent lower than that which would apply under the current scale. The reduction will be achieved by lifting the land value thresholds at which the tax rates apply, for all except the lowest value range in the tax scale.

If the land tax scale were left unchanged, it is estimated that land tax collections would increase from \$168m in 1997-98 to \$191m in 1998-99, an increase of 14 per cent. The proposed tax scale is expected to raise \$177.5m in 1998-99, thereby limiting growth in collections to around 5.6 per cent. This is significantly less than the estimated overall increase in taxable land values of around 8 per cent.

It is also noteworthy that, under the proposed tax scale, 56 per cent of all taxpayers will receive either a decrease, or no increase, in their land tax bills in 1998-99. Of the 44 per cent of taxpayers whose land tax bill will increase in 1998-99, more than three-quarters will receive an increase of less than \$20. Furthermore, the proportion of taxpayers facing increases in their tax bills of more than \$100 in 1998-99 will fall from 11 per cent under the current tax scale, to 3.5 per cent under the proposed tax scale. This will be the fifth time since coming to office that the Government has amended the land tax scale to provide land tax relief.

This Bill also seeks to amend the Stamp Act 1921 to -

increase the stamp duty rates on general insurance and workers' compensation insurance;

increase the stamp duty rates on property transfers;

increase nominal stamp duty charges; and

extend stamp duty concessions that are currently available to certain home buyers and small businesses.

Western Australia currently has the lowest stamp duty rate on policies of general insurance, such as home and contents insurance, of any State. The Bill provides that the stamp duty rate on general insurance policies will be increased from the current 5 per cent of the premium to 8 per cent of the premium. This will bring Western Australia more in line with the other States. It is also proposed that the concessional stamp duty rate on workers' compensation insurance policies be increased by a similar proportion, from the current 3 per cent of the premium to 5 per cent of the premium.

The Bill also includes measures to ensure that the higher rates of stamp duty cannot be avoided by the early cancellation and renewal of an insurance policy. The higher rates will apply to any premium paid after the 30 April budget announcement where the period of insurance commences on or after 1 July 1998. Such premium payments will also be subject to the higher rates where the period of insurance commences after the budget announcement but before 1 July 1998 and where -

the new policy replaces another policy with the same insurer which would have expired on or after 1 July 1998; or

an existing policy of insurance is renewed, and prior to the renewal, that policy would have expired on or after 1 July 1998.

The increase in the effective price of insurance, of around 3 per cent, is considered sufficiently small that it should not discourage people from taking out adequate coverage. Moreover, to the extent that the increases apply to businesses, the extra duty will be income tax deductible. These changes will not affect life insurance, nor will they apply to health insurance, motor vehicle third party insurance, insurance on the transport of goods, or insurance on commercial marine hulls, all of which are either exempt from stamp duty or subject to only a nominal duty.

The proposed increases in stamp duty on general insurance and workers' compensation insurance are estimated to raise additional revenue of \$34m in 1998-99 and \$37m in a full year. As with stamp duty on insurance, stamp duty on transfers of property, primarily land, buildings, mining tenements and business goodwill, is also relatively low in Western Australia compared with most States.

This Bill seeks to increase stamp duty rates on transfers of property by an average of around 12.5 per cent from 1 July 1998. This translates to an increase of around \$410 for property valued at \$140 000 or around 0.3 per cent in the total cost of the property. This is considered unlikely to have a significant effect on property market activity, particularly in the current low interest rate environment. This measure is estimated to raise additional revenue of \$37m in 1998-99 and \$44m in a full year. Nevertheless, to cushion the impact of these measures on lower income earners, the Bill also seeks to increase the existing stamp duty concessions for home buyers and purchasers of a small business.

Specifically, it is proposed that the property value threshold for the first home buyers' rebate of up to \$500 will be increased from \$85 000 to \$135 000, with similar proportional increases in the thresholds for first home land and properties north of the twenty-sixth parallel - to \$52 000 and \$202 500 respectively. In addition, the threshold for the concessional 1.5 per cent rate of duty for all home buyers and purchasers of a small business will be increased from \$85 000 to \$100 000. The concessional rate will be phased out for properties valued between \$100 000 and \$135 000. By way of example, these concessions will mean that a purchaser of a first home valued at \$100 000 will save up to \$900, or nearly 50 per cent, compared with the stamp duty currently payable. The extension of these concessions is estimated to cost an additional \$10m in 1998-99 and \$12m in a full year.

The final stamp duty change proposed in this Bill relates to nominal stamp duty charges. Nominal stamp duty charges in Western Australia have not been increased in nearly 20 years, and therefore have fallen significantly in real terms. In light of this, it is proposed that nominal stamp duty charges be increased from 1 July 1998 as follows -

The general nominal fee will be increased from \$5 to \$20. This will apply, for example, to agreements signed under seal which do not fall under any other head of duty.

The nominal fee for a mortgage sale will be increased from \$10 to \$20.

The nominal fee for duplicates will be increased from \$2 to \$5.

These increases are estimated to raise additional revenue of around \$2m per annum.

In summary, the measures contained in this Bill are a response to the need to fund the provision of quality services to all Western Australians. The imbalance between the expenditure needs of the State, fuelled by strong economic growth, and the failure of existing funding sources, particularly commonwealth grants, to meet that need, has inevitably placed greater reliance on state owned source revenues. The only long term solution to this imbalance is a more equitable sharing of revenue raising powers between the Commonwealth and the States, something this Government will continue to vigorously pursue with the Federal Government.

I commend the Bill to the House and for the information of members, I table an associated explanatory memorandum.

[See paper No 1430.]

Debate adjourned, on motion by Mr Cunningham.

ADVANCE BANK (MERGER WITH ST GEORGE BANK) BILL*Second Reading*

MR COURT (Nedlands - Treasurer) [12.13 pm]: I move -

That the Bill be now read a second time.

St George Bank is a company incorporated in New South Wales and is a company within the meaning of the Corporations Law and is a company limited by shares. Before the succession day, which was 1 April 1998, Advance Bank Australia Limited was a company incorporated in New South Wales, was a company within the meaning of the Corporations Law and was a company limited by shares. Before the succession day each carried on the business of banking throughout Australia.

By letter received by St George on 18 December 1996, the Federal Treasurer consented pursuant to section 63 of the Banking Act 1959 of the Commonwealth to the amalgamation of the banking business of Advance Bank with that of St George. On 29 January 1997 St George became the beneficial owner of the whole of the ordinary issued share capital of Advance Bank and Advance Bank was required to surrender its banking licence.

The transfer of the banking business from Advance Bank to St George occurred by way of the principle of succession in law pursuant to the Bank Mergers (Advance Bank) Regulation 1998 of New South Wales.

Under the New South Wales regulation, on the succession day -

St George became the successor in law of Advance Bank and for all purposes a continuation of and the same legal entity as Advance Bank;

Advance Bank was liquidated and dissolved;

all assets of Advance Bank, wherever located, vested in, or became otherwise available for the use of, St George without the need for any conveyance, transfer, assignment or assurance and without the need for any prior notice or further Act; and

all liabilities of Advance Bank, wherever located, became liabilities of St George without the need for any prior notice or further Act.

The purpose of this Bill is to recognise the transfer of assets and liabilities in Western Australia under the principle of succession in law and the associated Advance Bank (Merger with St George Bank) (Taxing) Bill is drafted to render amounts payable to the State of Western Australia equivalent to amounts that would have been payable by way of taxes, duties and charges for which St George or Advance Bank would be liable under the law of the State if the translated assets and translated liabilities had become assets and liabilities of St George as the result of an ordinary commercial transaction rather than by operation of the New South Wales regulation.

There is no recent precedent for this specific type of legislation as recent mergers between other banks have been effected by other means. Advice from the Crown Solicitor indicates the principle of succession in law is valid and the effect of the New South Wales regulation should be recognised in Western Australia.

This legislation is consistent with the Government's objective of facilitating business efficiency within Western Australia, while not prejudicing the integrity of the State's revenue base. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

ADVANCE BANK (MERGER WITH ST GEORGE BANK) (TAXING) BILL*Second Reading*

MR COURT (Nedlands - Treasurer) [12.16 pm]: I move -

That the Bill be now read a second time.

St George Bank and Advance Bank recently merged and the assets and liabilities of Advance Bank were transferred to St George by way of the principle of succession in law pursuant to the Bank Mergers (Advance Bank) Regulation 1998 of New South Wales.

The Advance Bank (Merger with St George Bank) Bill serves to recognise this transfer of assets and liabilities by way of the principle of succession in law. The Advance Bank (Merger with St George Bank) (Taxing) Bill serves to require payment by St George to the State of Western Australia of an amount equivalent to amounts that would have been payable by way of taxes, duties and charges for which St George or Advance Bank would be liable under

the law of the State if the translated assets and translated liabilities had become assets and liabilities of St George as the result of an ordinary commercial transaction rather than by operation of the New South Wales regulation.

There is no recent precedent for this specific type of legislation as recent mergers between other banks have been effected by other means. Advice from the Crown Solicitor indicates that the principle of succession in law is valid and the effect of the New South Wales regulation should be recognised in Western Australia. This legislation is consistent with the Government's objective of facilitating business efficiency within Western Australia, while not prejudicing the integrity of the State's revenue base. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

ACTS AMENDMENT (EDUCATION LOAN SCHEME) BILL

Second Reading

MR BARNETT (Cottesloe - Minister for Education) [12.18 pm]: I move -

That the Bill be now read a second time.

The Acts Amendment (Education Loan Scheme) Bill deals with arrangements for low interest loans in the education sector in Western Australia. Provision already exists for subsidised loans to be made available by government to non-government schools, not-for-profit training providers and the University of Notre Dame to assist with the cost of various capital improvements. These loans are currently funded from the consolidated fund.

This legislation seeks to amend the Education Act 1928, the Vocational Education and Training Act 1996 and the University of Notre Dame Australia Act 1989 to enable such loans to be funded from the Western Australian Treasury Corporation or other commercial sources, rather than from the consolidated fund. The legislation also seeks to amend the University of Notre Dame Australia Act 1989 to formalise the university's powers to borrow money and to provide it with the relevant powers to mortgage property as security for loans.

The Bill is in five parts. The first part of the Bill deals with the preliminaries. Part 2 deals with the changes required to the Education Act 1928 to accommodate the proposed funding arrangements. Currently, the Minister for Education is only able to make loans available to approved non-government schools and independent kindergartens and preschool centres from moneys appropriated by the Parliament. The Bill seeks to provide the Minister with the appropriate powers to borrow money from various sources in order to support lending to such institutions. Under the proposed amendments, the Minister will be able to borrow money from the Treasurer, the Western Australian Treasury Corporation or any other commercial sources which are able to offer competitive rates of interest.

The Bill also makes provision for the funds borrowed by the Minister and the repayments received from institutions to be credited to an operating account of the department charged with responsibility for administering the low interest loan scheme. This is currently the Department of Education Services. The proposed change is necessary in order to meet the requirements of section 15B of the Financial Administration and Audit Act 1985.

Part 2 of the Bill also provides the Treasurer with the discretionary power to issue guarantees on behalf of the Minister for Education as security for funds borrowed from private sources. Corresponding clauses to those contained in this Bill relating to the Education Act 1928 are also included in the School Education Bill 1997 which is currently before the Parliament.

Part 3 of the Bill makes provision for equivalent changes to those proposed for the Education Act 1928 to be made in the Vocational Education and Training Act 1996 to support the proposed changes to the funding arrangements for not-for-profit training providers. Under this part, the approved purposes for not-for-profit training providers has been extended to include loans raised to purchase or lease plant and equipment. This is in recognition of the funding requirements of such institutions. Particularly in the case of skill centres, plant and equipment is an essential part of the operation of these centres and often it can be acquired more efficiently and with greater cost effectiveness under lease arrangements than by direct purchase.

Part 4 of the Bill makes equivalent provisions to those referred to previously for the amendment of the University of Notre Dame Australia Act 1989 in order to support the proposed changes to the funding arrangements for the University of Notre Dame. Currently, the University of Notre Dame Australia Act 1989 does not contain any express provisions with respect to borrowing money and mortgaging property. A power to borrow money can be inferred from the provision in the Act which allows the Minister for Education to lend money to the university. However, no such corollary can be established regarding the creation of security interests in the property of the university. That is, under the Act, the university does not have the authority to mortgage property. Part 4 of the Bill includes provisions which formalise the university's power to borrow money and provide it with the power to mortgage property as security for loans.

Part 5 of the Bill deals with various transitional arrangements. The conditions of existing loans approved under the low interest loan scheme are regulated by various sections of legislation which are to be repealed under this Bill. Part 5 of the Bill allows for the conditions of existing loans to be varied if and when required to the same extent that they could have been had the relevant sections not been repealed. This is an important provision. In the current economic climate, it is likely that lower interest rates will be available under the new borrowing arrangements than have previously been possible. It will be important to retain the capacity to review existing loans to ensure that existing borrowers are not unfairly disadvantaged in comparison with new borrowers.

Any loans advanced to institutions under the scheme during the 1997-98 financial year have been funded from an advance approved in terms of the Treasurer's Advance Authorization Act 1997. Provision has been made in the Bill for the Minister for Education and the Minister for Employment and Training to borrow money in the manner provided for in this Bill in order to repay the Treasurer's Advance.

The proposal to fund the low interest loan scheme from outside the consolidated fund provides the relevant Ministers with greater flexibility to support the borrowing requirements of non-government and non-profit educational providers. Nevertheless, Ministers will continue to require approval from the Treasurer of an annual borrowing limit to ensure that the funding of the scheme fits within the State's overall debt management strategy.

Considerable consultation has occurred with the peak non-government education bodies, including the Catholic Education Office, the Association of Independent Schools and the University of Notre Dame, and full support for the proposals has been obtained. I am sure that members on both sides of the House recognise the significant contribution that the non-government education sector makes to the education of young people in this State and will support the ongoing funding of these institutions through the changes proposed in this Bill.

I table the attached explanatory memorandum. I commend the Bill to the House.

[See paper No 1431.]

Debate adjourned, on motion by Mr Cunningham.

FRIENDLY SOCIETIES (WESTERN AUSTRALIA) BILL

Second Reading

MR BARNETT (Cottesloe - Leader of the House) [12.24 pm]: I move -

That the Bill be now read a second time.

The Bill before the House implements the Friendly Societies (Western Australia) Code as a law of Western Australia. The code is set out as a schedule to the Bill. The Bill is part of the legislative process required to include national uniform regulation of friendly societies within the framework of the existing financial institutions scheme which currently regulates permanent building societies and credit unions.

The code set out in the schedule to the Bill is legislation which has been adopted through an application of laws mechanism by all jurisdictions in Australia, other than Western Australia. Western Australia has agreed to introduce into its Parliament legislation consistent with the model legislation prepared in Victoria. This is done by providing that the code set out in the schedule, which is similar in all material respects to the Victorian model legislation, becomes a law of Western Australia.

Development of the code: It was decided that Victoria would provide the model for the legislation, as friendly society regulation is more significant to Victoria than any other Australian jurisdiction. Approximately 37 per cent of Australian friendly societies are located in Victoria and Victorian societies control approximately 82 per cent of friendly societies' funds in Australia. In the 1995-96 financial year Victorian friendly societies controlled just under \$8b of the gross total assets under the control of friendly societies in Australia which stood at \$9.7b. In contrast the Western Australian industry is less than 1 per cent of the total Australian industry with funds under control of under \$80m.

Friendly societies initially operated as fraternal organisations providing benefits to meet contingencies facing members in times of sickness, retirement and unemployment, and on death. During the 1980s friendly societies took advantage of favourable treatment available under the Commonwealth Income Tax Assessment Act 1936 and entered the field of single premium insurance policies or bonds, resulting in an unprecedented growth for friendly societies, particularly in Victoria. The main services offered by friendly societies may be summarised as life insurance, health insurance, retirement villages, superannuation and funds management.

Because of the unique structure of friendly societies the State Ministers who were members of the Standing Committee of Attorneys General decided that discrete legislation should be prepared rather than integrating friendly

societies into the Financial Institutions Code. Discrete legislation is required because the structure and activities of friendly societies are different from the structure and activities of permanent building societies and credit unions.

Whereas the main business of permanent building societies and credit unions is similar to traditional banking - that is, taking deposits and making loans - friendly societies do not offer banking products.

The code is the product of negotiations and discussions which have been proceeding between the States and Territories, and to some extent the Commonwealth, following the resolution of the Ministerial Council for Financial Institutions in May 1994 which adopted recommendations of the special Premiers' Working Group on non-bank financial institutions. This working group was established to examine proposals for national uniform regulation of NBFIs after heads of government agreed in October 1990 to reform the legislation covering the operations and supervision of NBFIs to contribute to the stability of the financial system.

The working group completed a paper which recommended that friendly societies be brought within the framework of the existing financial institutions scheme. The working group paper identified deficiencies in the then current friendly societies supervision, including -

- non-uniformity in prudential standards and supervisory practices across States, which inhibits efficient interstate expansion by friendly societies;

- potential for loss of public confidence in individual institutions, which could lead to loss of confidence in the industry as a whole; and

- constraints on existing supervisors due to a clear lack of legislative authority.

In May 1994, MINFIN resolved that friendly societies be subject to national uniform supervision as recommended in the working group paper and resolved that -

- friendly societies be integrated into the financial institutions scheme with the Australian Financial Institutions Commission as the sole national coordinating and standard-setting body and with supervision to be undertaken by the state supervisory authorities. The SSA for Western Australia is the Western Australian Financial Institutions Authority. Division of responsibility between AFIC and the SSAs is to mirror the existing financial institutions legislation;

- an implementation task force, accountable to the ministerial council, be established to develop discrete, legislation consistent with existing financial institutions legislation for a uniform national scheme of supervision; and

- that initial legislation be introduced into the Parliament of Victoria and adopted by jurisdictions.

The Financial Institutions Agreement, which is to be amended to incorporate friendly societies, will govern the continued operation of the financial institutions and friendly societies schemes. Under the agreement the code cannot be amended without the approval of the ministerial council, and so far as Western Australia is concerned an amendment is not effective until it has been passed as a law of Western Australia. Each State and Territory will also be obliged not to submit to its Parliament legislation which will conflict with or negate the operation of the uniform legislation. By these terms of agreement ongoing uniformity in all key areas will be achieved and maintained.

Key elements of the code: It is appropriate that I now draw attention to how the code overcomes the limitations of the existing system of regulation of friendly societies, and comment on the other more important aspects of the code. The legislation incorporates comprehensive provisions for the formation, registration, management and regulation of friendly societies. Directors' duties are similar to Corporations Law standards in the interest of accountability to members of friendly societies and the public.

SSAs will have similar duties and powers to those they currently have in relation to the supervision of permanent building societies and credit unions under the Financial Institutions Code. The functions of the SSAs include the registration, supervision and regulation of societies; the supervision and enforcement of compliance by societies with the code and prudential standards; ensuring that an effective and efficient system of prudential supervision is applied to societies; and the protection of interests of members of societies.

The scheme of supervision will be industry funded through payment of annual levies by friendly societies. This levy system already applies to other financial institutions such as permanent building societies and credit unions.

The legislation will allow easier interstate trading by ensuring consistency in the supervision practices of the state regulatory bodies. In addition, the code will allow a friendly society which is registered under the friendly societies legislation of a participating State to carry on business in Western Australia, or vice versa, as a foreign society. These provisions are based on the Financial Institutions Code and allow for a foreign registration procedure based on two

considerations - namely, the society obtaining a compliance certificate from its home SSA, and providing the host SSA with the details of the society's nominated agents in this State.

Benefit funds: A friendly society conducts its business activities by establishing separate benefit funds to support the society's contractual obligations to its members. Although the activities undertaken by a friendly society are diverse, the administration and organisational infrastructure of a friendly society are financed by its management fund as distinct from the separate member benefit funds. The existence of benefit funds allows friendly societies to engage in such a diverse range of activities because they have an operating structure to legally segregate different activities. It is essential that the legislation take into account this structure, and therefore detailed provisions dealing with the concept of benefit funds are included in the code. For example, the code includes provisions which deal with the application of assets of benefit funds in a winding-up. These provisions are based on similar provisions in the Commonwealth Life Insurance Act which deal with the application of the assets of life offices statutory funds on a winding-up. These provisions ensure that the assets of each benefit fund are only available to meet the liabilities of the society which are referable to that benefit fund. The liabilities of a society which are not referable to a particular benefit fund are to be met by the remaining assets of the society.

Important provisions which have also been included in the code as a response to industry recommendations are those which allow a society to terminate a benefit fund without having to resort to a winding-up of the society as a whole, or to restructure a benefit fund; that is, to transfer the whole or part of one or more existing funds to another existing fund or to a new fund.

Fundraising: The fundraising provisions in the code reflect the proposals accepted by the Commonwealth in the interface arrangements relating to fundraising by friendly societies. These proposals provide that fundraising by friendly societies will be regulated under the code and not under the Corporations Law. The code incorporates investor protection provisions which reflect the protection available under the Corporations Law in relation to the offer of prescribed interests. The code requires a disclosure document to be prepared by a friendly society to be lodged with the SSA for approval before making an invitation to persons to apply for benefits in a benefit fund.

These provisions also include a regime of civil liability for those involved in the preparation of the disclosure document for misleading and deceptive conduct and for misstatements and omissions in disclosure documents. Further, the fundraising provisions set out a comprehensive regulatory scheme applicable to those persons who deal in benefits or carry on a business advising in relation to benefits, requiring that those who do so hold a securities licence under the Corporations Law or hold a proper authority from a registered friendly society.

An important change to be implemented by the legislation is to allow friendly societies to demutualise and issue permanent share capital. I think they have invented a new word! This is a major change in the structure of friendly societies which have traditionally been based on the concept of mutuality; that is, a structure without shares to signify ownership and a society not seeking to generate profit for owners. Friendly societies will be permitted by the code to issue permanent shares or redeemable preference shares.

Although this is contrary to the traditional structure of friendly societies as mutual ownership structures, an overwhelming majority of the industry has welcomed the opportunity to demutualise. The industry views demutualisation and the issue of permanent share capital as fundamental to its preservation in ensuring its competitiveness with alternative structures such as corporations.

The provisions allowing friendly societies to issue permanent, non-withdrawable, shares are based on the provisions in the Financial Institutions Code which allow permanent building societies to issue non-withdrawable shares. A society will not be permitted to issue permanent shares unless the society's rules authorise the issue of permanent shares and the society complies with the code and the prudential standards issued by AFIC. Like building societies, an existing friendly society that wishes to issue shares must undergo a process of demutualisation - that is, a change of ownership from members to shareholders who subscribe capital, which is to be set out in the prudential standards. The process will involve a vote on the decision to demutualise by the society's members and the proposal for, and basis of, demutualisation must be fully disclosed to members.

Mergers and conversions: The legislation will facilitate mergers between societies and transfers of engagements, which is the process of one society transferring all or a part of its assets, liabilities, rights, obligations and so forth to another society, by including procedures similar to those in the Financial Institutions Code allowing societies to merge or transfer their engagements to another society.

A procedure is also included in the code for friendly societies to convert to companies, for example, life insurance companies or incorporated associations. The procedures for conversion to a company are based on those in the Financial Institutions Code. The procedure to allow conversion to an incorporated association has been included to allow certain small societies, some of which operate like a social club, to move to a less onerous regulatory regime

and for various fraternal activities to be conducted by incorporated associations. Only those societies without benefit funds may convert to an incorporated association as it is considered that societies with benefit funds must be subject to some form of prudential regulation for the protection of members of the funds.

Penalties: I wish to bring to the attention of members the penalties which are set out in the code. The penalties are consistent with the significant penalties under the Financial Institutions Code for similar offences. However, it has been recognised that the penalties are, in some circumstances, inappropriate for the offences to which they relate. As part of the ongoing review of the Financial Institutions Code, MINFIN officers from the ministerial council are reviewing the penalties in the Financial Institutions Code in light of general commercial law principles.

One tenet of the financial institutions scheme is the desire to promote uniformity of legislation for like entities across Australia. To this end, the MINFIN secretariat has approached the Commonwealth with a view to conducting a joint exercise to work towards the consistent treatment of penalty provisions between the Corporations Law and the financial institutions legislation. It has been agreed by all jurisdictions that, in the interim, the penalties in the code remain consistent with the Financial Institutions Code with a view to amending the legislation at a later date to take advantage of the proposed review by MINFIN and commonwealth officers.

The Financial System Inquiry: I also wish to mention the impact of the Wallis inquiry initiated by the Commonwealth. The inquiry has considered and made recommendations on the regulatory arrangements affecting the operation of the financial system. Bodies regulated under the financial institutions scheme, which includes friendly societies, may be transferred to commonwealth regulation on or before 1 July 1999. Despite this, I believe the national system of regulation to be implemented by the code should proceed as soon as possible as deferral would be to the detriment of the industry, and to the staff of the regulator in Western Australia, in the longer term.

Conclusion: Finally, I am pleased to say that the Australian friendly society industry as a whole, and the Western Australian Friendly Societies Association in particular, has expressed support of the code and is extremely keen to see the commencement of the scheme as soon as possible. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

FRIENDLY SOCIETIES (TAXING) BILL

Second Reading

MR BARNETT (Cottesloe - Leader of the House) [12.36 pm]: I move -

That the Bill be now read a second time.

This Bill supports the Friendly Societies (Western Australia) Bill 1998. Section 13 of the Bill imposes a liability to pay any fees which may be prescribed by regulations made under that Bill, except to the extent that those fees may be taxes. In the case of taxes, section 46(7) of the Constitution Acts Amendment Act clearly directs that a Bill imposing taxation shall deal only with the imposition of taxation.

The purpose of this Bill is to ensure that to the extent that any fee referred to in section 13 of the Friendly Societies (Western Australia) Bill may be considered to be a tax, it can properly be imposed. This Bill has no other purpose and operates entirely as a supplement to the Friendly Societies (Western Australia) Bill. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

ACTS AMENDMENT (GAMING) BILL

Second Reading

MR COWAN (Merredin - Deputy Premier) [12.38 pm]: I move -

That the Bill be now read a second time.

The Acts Amendment (Gaming) Bill is premised on the recommendations outlined in my June 1996 report to Parliament of the review of the Gaming Commission Act and the Casino Control Act. Members would be aware that section 115 of the Gaming Commission Act required the Minister to carry out a review of the operation and effectiveness of the Act, as soon as practicable after five years of its coming into operation. The terms of reference of the review of the Act also required an examination of the Casino Control Act because the commission is responsible under the Gaming Commission Act for the administration of the Casino Control Act. My report provided a comprehensive range of recommendations, all of which were incorporated in the report to Parliament.

The objects of the Gaming Commission Act are to administer the law with regard to gaming in Western Australia,

including maintaining the integrity of gaming in the interests of the community and containing the social cost of permitted gaming. In accordance with the above objects, the Bill introduces some important changes to control and regulate gaming in Western Australia.

The Bill amends the Casino Control Act and the Gaming Commission Act to provide for the deposit, into a trust fund, of unclaimed winnings emanating from permits issued under the Gaming Commission Act - for example, bingo, lotteries, two-up and gaming - and unclaimed winnings from the casino pursuant to the Casino Control Act. Where winnings are not claimed within a 12 month period, the commission may direct the casino licensee or permit holder to take steps to locate the winner. If a further period of two months elapses without the winner being located, the liability to pay the winnings is extinguished.

The Bill provides for the payment of moneys from unclaimed winnings that have been deposited into the gaming community trust fund, to be administered by the Gaming Community Trust. The intention of the trust is to advise and make recommendations to the Minister on the distribution of unclaimed winnings for the benefit of the community.

The Casino Control Act prohibits the chief casino officer or a government inspector gambling at the casino, including a period of 12 months after relinquishing the position. However, neither the Casino Control Act nor the Gaming Commission Act prohibits a member of the commission, or other persons appointed under section 9 of the Casino Control Act, from gaming at the casino. Due to the functions performed by commission members, gaming at the casino may be seen as a conflict of interest, and, consequently, commission policy has been that members do not gamble at the casino.

To ensure there is no perceived conflict of interest, the Bill prohibits members of the commission and all persons appointed under section 9 of the Casino Control Act from gaming at the casino during the period of their appointments.

I will deal with amendments specific to the Casino Control Act .

Neither the Casino Control Act nor the Gaming Commission Act provide for the protection of its officers for any act carried out in good faith. The Bill provides protection to a person who is an officer of the commission for anything that the person has done in good faith in the performance of a function under the Casino Control Act or the Gaming Commission Act.

The Casino Control Act presently details the process for the Minister to enter into an agreement for the construction and establishment of a casino complex. However, the opportunity has been taken to update provisions, in the light of the experience of other States that have issued casino licences since the Burswood Casino licence was issued in 1985. The commission will, before the Minister enters into a casino complex agreement with a public company, conduct investigations to inform itself of the suitability and financial status of the public company and each close associate of the company. The commission must also address the reputation, financial status and capacity of persons concerned in or associated with the conduct of the gaming operations of a licensed casino.

The Bill also empowers the Minister to require a "close associate" of a public company that is a casino licensee or with which the Minister has entered into a casino complex agreement, to divest any interest in a public company if the close associate is found to be of an unsuitable character. In directing the disposal of any interest, the Minister is required to ensure procedural fairness and the orderly disposal of the interest.

The Act currently limits the playing of authorised casino games to within the casino licensed area as determined by the commission.

The Bill provides the commission with the flexibility to alter the casino licensed area for the playing of one or more specified authorised games within the casino complex; for example, keno runners may be permitted to operate outside the licensed casino area, but within an area of the complex specified by the commission.

Under section 21B of the Casino Control Act the Minister may, with the prior approval of the Governor, suspend or revoke a casino gaming licence. However, there is no power for the Minister to take any other action in the event of an adverse finding which may not warrant suspension or revocation. Consequently, where the breach is not serious, no action is taken in preference to suspension or, in extreme circumstances, revocation.

The Bill provides for the Minister, with the prior approval of the Governor, to impose a fine not exceeding \$100 000 as an alternative to suspension or revocation of the casino gaming licence.

The Bill amends schedule 2 of the Act to provide the commission with the power to make regulations in relation to disciplinary action against casino employees and key casino employee licence holders. The disciplinary action may range from a letter of censure, the imposition of a fine of \$1 000, to suspension or cancellation of the licence.

The Act currently makes it an offence for a person under the age of 18 years to enter and remain in the casino. However, no offence is committed if the juvenile is found gaming in the casino or if a minor wins while gaming in the casino, nor is the person obliged to return the winnings. The Bill creates an offence if a person under the age of 18 years participates in gaming at the casino and allows for the forfeiture of any winnings by the juvenile. A penalty of \$1 000 has been included for a person convicted of this offence. In addition, the Bill provides for the casino operator, an officer of the commission or a police officer to request a person who is suspected of being under the age of 18 years to provide evidence of age. Where false proof of age is provided, the Bill creates this as an offence and a penalty of \$1 000 will apply. The Bill also creates an offence if a casino licensee or any other person concerned in the organisation or management of casino operations, permits a person under the age of 18 years participating, as a player, in any game at the casino. A new penalty of \$5 000 has been included if the casino licensee is convicted of this offence.

To reduce the need for costly prosecutions of minor offences through the courts, the Bill makes provision for the issue of infringement notices for prescribed minor offences.

There is currently no legislative requirement for junket operators, who bring high roller gamblers to the casino, to be approved by the commission. Using its powers under section 24 of the Act, the commission has issued a direction requiring all junket operators and their representatives to be approved by the commission. However, there is some doubt as to the legality of using a direction to enforce a practice not envisaged by the legislation. The Bill provides the commission with the power to make regulations with respect to the approval of junket operators. This will make the licensing procedures more public and subject to the scrutiny of Parliament.

The Bill also provides the commission with the power to make regulations regarding internal controls and administrative and accounting procedures that apply to gaming operations at the licensed casino. As with junket operators, the internal controls and administrative and accounting procedures are currently regulated by the commission through the issue of directions under section 24 of the Act.

The Act presently gives the casino licensee unfettered control over who may enter and remain in the casino and empowers the casino licensee, by notice in writing, to prohibit a person from entering and remaining on the licensed casino premises.

However, the Act does not provide for any appeal. The commission has issued a direction under section 24 of the Act allowing persons who have been barred to have the barring reviewed by the commission. Rather than relying on the issuing of a direction, the Bill provides for a barring to be reviewed by the commission.

The Gaming Commission Act provides a mechanism for the commission to require a person to obtain a certificate for the purpose of selling, supplying or repairing prescribed gaming equipment. However, the Casino Control Act does not contain such a provision, and the commission, for consistency, has issued a direction under section 24 of the Casino Control Act directing the casino not to obtain any gaming equipment or instruments of gaming without the approval of the commission.

The Bill requires that the casino licensee shall not enter into a "controlled contract" for the supply of goods or services to the Burswood Casino or any other matter that is prescribed as a controlled matter unless the commission has not objected to the contract. The commission is obligated to investigate the contract within 60 days of being notified and may extend the period of investigation depending on the complexity of the contract, but it must complete the investigation within six months. The Bill also provides for the termination of a controlled contract with no liability against the commission or the Crown.

I now turn to the Gaming Commission Act 1987. That Act is structured on the basis that all gaming is conducted for the purpose of fundraising for charitable, sporting and community based groups. The Act also prohibits the conduct of gaming outside the casino for "private gain or commercial undertaking". However, in the original drafting of the Act some sections did not prohibit gaming for "private gain or commercial undertaking".

The Bill rectifies this omission and also provides a clearer and fairer interpretation of the term "private gain".

The Bill changes the composition of the commission by increasing its membership from four to five. Four persons will be approved by the Minister to provide greater community input. The Chairman of the Lotteries Commission will no longer be an ex officio member of the commission.

The Act gives the commission, an authorised officer or a member of the Police Force, the power to question a person suspected of having information in respect of an investigation. However, the Act is deficient in that there is no power to demand satisfactory evidence to substantiate the answer. This deficiency inhibits the commission from pursuing inquiries where an offence is suspected of having been committed.

To overcome this deficiency, the Bill amends the Act to provide power for the commission, authorised officers or

members of the Police Force to require a person to supply satisfactory evidence to substantiate information where it is believed, on reasonable grounds, the information given in response to a demand under the Act is false. Currently, before any proceedings are initiated by the members of the Police Force under the Act, the prior approval of the commission is required. The police have argued that this provision hampers their ability to institute proceedings for offences under the Act.

The Bill provides for members of the Police Force to institute proceedings for an offence under the Act, without first seeking the permission of the commission. However, the Commissioner of Police will be required to notify the commission of all such proceedings the police have instituted.

A definition of "two-up", which is not included in either the Gaming Commission Act or the Casino Control Act, is introduced. This definition has been included to assist the commission in enforcing the provisions of the Act relating to the playing of two-up. The Act currently permits the playing of two-up at race meetings on the day of the race meeting. However, this provision discriminates against trotting meets, where the last race concludes at approximately 10.00 pm. This allows the trotting club to conduct two-up for two hours only until midnight. The Bill authorises the commission to issue a permit for the conduct of two-up after race meetings to be played on the next day provided the playing or betting at the game begins during the race day.

[Leave granted for speech to be continued at a later stage.]

Debate thus adjourned.

[Continued on page 3046.]

JERVOISE BAY SOUTHERN HARBOUR

Statement by Member for Cockburn

MR THOMAS (Cockburn) [12.51 pm]: I am pleased that the Deputy Premier is here because the matter I wish to raise relates to his portfolio responsibilities. Earlier this year it was announced that the southern harbour, Jervoise Bay, would be built. That is in my electorate and it has aroused considerable concern on environmental grounds. I have consistently been in favour of the project and of the highest of environmental protection standards being applied. Notwithstanding that, there is concern that it be constructed in an environmentally sound manner.

I was very pleased to read in the newspaper that the Department of Commerce and Trade is to establish an information bureau in Fremantle to educate the public about the project. That is a very good initiative and one about which I am very pleased. However, it should not be located in Fremantle; it should be in Cockburn. Members who have been following this controversy know that residents' groups and the like that have been expressing concern about the project are largely based in Cockburn, not Fremantle. A venue right next door to my electorate office and formerly occupied by the Commonwealth Employment Service is available at a moderate rent. It is on a main road and would be convenient to everyone.

SWAN VALLEY ACCOMMODATION

Statement by Member for Swan Hills

MRS van de KLASHORST (Swan Hills - Parliamentary Secretary) [12.52 pm]: On Tuesday I attended and spoke at the launch in the Swan Valley of an accommodation guide entitled "16 places to stay in the Swan Valley - WA's oldest wine region". I bring this brochure to the attention of the House to emphasise the innovation of the Swan Valley community in investing in and providing a wide variety of accommodation. These 16 accommodation places can cater for and suit the taste and price range of anyone wishing to stay in the valley. They include self-contained historic cottages, luxurious guest houses complete with spas, caravan park chalets and motel units. The Swan Valley has the style people are looking for and offers a relaxed rural setting within easy reach of Perth.

It is said that wine improves with age; so it appears do some wine growing regions. The Swan Valley is very close to Perth, yet is very special. Everyone, no matter what their accommodation requirements, will now be able to find somewhere to stay in this wonderful area. I congratulate all those involved in this venture for their progressive ideas and marketing strategies. I wish them the success they so obviously deserve. I recommend to all members that they stay in the valley soon. I know they will enjoy the experience and it is only 20 minutes from the centre of Perth.

DRUG REHABILITATION FACILITIES

Statement by Member for Peel

MR MARLBOROUGH (Peel) [12.54 pm]: I bring to the attention of the House the disastrous situation existing in respect of drug rehabilitation and its links with the court system. This is a story about this Government's neglecting

its duty of care to individuals. In the past week my attention was drawn to the case of a young fellow by the name of Jason who has recently appeared in court. He has been a drug offender since the age of 14 years and he is now 20 or 21. Although his parents work very hard to ensure they provide him with every opportunity to escape his drug habit, he has had a number of difficulties. That is not helped by the system. Magistrate's Courts are ordering that young people take part in drug, alcohol and anger management rehabilitation programs. However, those programs are not available because of a lack of funding. Services in Palmerston in my electorate and the Kwinana Community Health Service have told this young man and his family in the past week that he cannot get into any of these programs for three months. This is disastrous. It is not helping the legal system or this young person and his family. The lack of facilities available in this area is putting far too much stress on the whole community.

VASSE ELECTORATE

Statement by Member for Vasse

MR MASTERS (Vasse) [12.56 pm]: Based on Australian Electoral Commission statistics current at 31 March this year, my electorate of Vasse is now the largest and fastest growing rural electorate in Western Australia. When electorates in metropolitan Perth are added to the picture, Vasse is still the third fastest growing seat in the State. This population growth means that all existing services are under strain.

The new East Busselton Primary School, originally designed with 14 classrooms and then enlarged to 16 classrooms, will now also include six demountable classrooms when it is opened in July. Busselton Hospital has received major funding in the Budget for preparation of expansion plans, while the Busselton bypass will be commenced and completed three years earlier than originally scheduled. While I am extremely grateful to the Government for these budget allocations, pressures on existing services will not diminish and future Budgets will need to consider increases in funding for first time allocations in areas such as crisis and community housing, land purchases for nature conservation and subsequent management, additional staffing in family and children's and related services, and increased police numbers once the new police station and courthouse complex is completed. I look forward to government support for the people of Vasse in these and others areas in the coming years.

SAFETY BAY ROAD AND ENNIS AVENUE, ROCKINGHAM

Statement by Member for Rockingham

MR McGOWAN (Rockingham) [12.57 pm]: I draw the attention of the House to a very serious situation in my electorate relating to the intersection of Safety Bay Road and Ennis Avenue in Rockingham. Last year I prepared a petition in conjunction with a resident, Mr David King, which was signed by more than 1 000 people. It requested that traffic lights be installed at the intersection because it is so dangerous. We were successful and an announcement was made that black spot funding from the Commonwealth would be provided for the installation. However, when the State Government announced the Transform WA project it cancelled that funding allocation. Three weeks ago a man was killed at that intersection. He may well still be alive if the traffic lights had been in place. The cancellation of the installation of the traffic lights is disastrous for those living in Rockingham who must cross the intersection. It is extremely dangerous and the lights are desperately needed. Given that Senator Ross Lightfoot is now claiming in a publication being circulated in my electorate that they will be installed, the Government should come clean and install them immediately.

GOSNELLS TOWNSITE AND BUSINESS SUBCOMMITTEE

Statement by Member for Southern River

MRS HOLMES (Southern River) [12.59 pm]: Last week I attended a meeting of the newly formed subcommittee of the Gosnells Chamber of Commerce, known as the Gosnells Townsite and Business Subcommittee. This subcommittee has been set up to deal with problems in the townsite area of the City of Gosnells. The meeting was addressed by council's director of strategic planning, its director of community services and its city designer, as well as the Mayor of Gosnells, Norm Smith, Councillor Mike Devereaux and the President and vice President of the City of Gosnells Chamber of Commerce. Numerous topics were discussed with the business and property owners of the Gosnells townsite. These included the City of Gosnells strategic plan, community safety, regional development and the City of Gosnells business centre. Matters relating to the townsite included problems of lawlessness experienced by local businesses, speeding traffic, tourism, secure parking at the Gosnells railway station and the Albany Highway and Mills Road bypass.

I congratulate the City of Gosnells and the Chamber of Commerce on their partnership in this excellent initiative. I am sure the subcommittee will keep lines of communication open and enable problems to be resolved in a way that will benefit the business and property owners of the Gosnells townsite.

Sitting suspended from 1.01 to 2.00 pm

[Questions without notice taken.]**INDUSTRY AND TECHNOLOGY DEVELOPMENT BILL 1997***Assent*

Message from the Governor received and read notifying assent to the Bill.

SITTINGS OF THE HOUSE*Extended after 6.00 pm*

MR BARNETT (Cottesloe - Leader of the House) [2.35 pm]: I advise members that because of the Estimates Committees next week, the Government must complete the second reading debate on the Budget today. I have already been advised that it will also be necessary to have the Treasurer's Advance Authorization Bill debated today. The implication is that unless we make remarkable progress, the House will sit this evening at 7.00 pm.

ACTS AMENDMENT (GAMING) BILL*Second Reading*

Resumed from an earlier stage of the sitting.

MR COWAN (Merredin - Deputy Premier) [2.36 pm]: The Act prohibits the possession or use of electronic gaming machines, other than those authorised for use at the Burswood Resort Casino. Since the Act came into operation in May 1988, all prosecutions, except for the first, have failed, due to the finding by magistrates that the types of machines being used were not poker machines, fruit machines or roulette machines. Magistrates were also not persuaded that there was evidence of gaming, notwithstanding that the machines had meters and could accumulate credits. As a result of the number of illegal machines appearing in hotels and clubs, a proclamation was issued in 1997 to prohibit the possession or use of gaming machines other than those authorised for use at the casino, or for which a permit is issued by the commission.

Clause 58 of the Bill amends the Act to strengthen the prohibitions against the possession or use of gaming machines not located at the Burswood Resort Casino, or for which a permit has not been provided. The Bill also provides for the forfeiture of the machines where the person is convicted of possession of illegal gaming machines. However, members should note that the Bill does provide for electronic gaming machines to be brought into the State for the purpose of testing, examining, repairing, display and manufacture.

Currently, section 39(2)(e) of the Act provides that a machine shall not be taken to be used for gaming if the person playing it receives nothing except the opportunity to play the machine again without paying. The intention of this section was to permit certain machines, for example pinball machines, to be lawfully played in Western Australia, particularly in amusement parlours. Because suppliers are using this section of the Act to place machines similar to video draw poker machines in hotels and clubs, the Bill provides the commission with the power to prescribe the premises where pinball type amusement machines may be played.

Currently, the commission is not protected from action by the winner of a lottery claiming the prize from the commission where the organisation conducting the lottery does not deliver the prize. The Bill protects the commission from any claim to compensate a person who wins a prize in a lottery and who, for any reason, is not paid the prize.

Trade promotion lotteries are not regulated by the Act and may be conducted without the need to obtain a permit provided they are free to the eligible participants. The Bill amends the Act to provide for the regulation of trade promotion lotteries and will facilitate Western Australia's adopting any national guidelines that may be established.

The Act currently provides for the sale of continuing lottery break open bingo tickets by hand or through vending machines. Hand held tickets are permitted to provide cash prizes, but the Act prohibits cash prizes for winning tickets dispensed from a vending machine. The Bill will permit cash prizes to be paid on winning tickets dispensed from vending machines.

Since the Gaming Commission Act and the Casino Control Act came into operation in 1988 and 1985 respectively, a number of minor amendments to the legislation have been identified. Many of these amendments are of a technical or administrative nature and are addressed by the Bill. For example -

reference to the now defunct Casino Control Committee has been deleted;

clause 48 of the Bill amends section 44(1) of the Gaming Commission Act to include "attempting" to cheat as an offence;

the penalty provisions in the Casino Control Act and the Gaming Commission Act, which have not been amended since 1985 and 1987 respectively, have been increased in line with the penalties in the proposed Liquor Licensing Amendment Bill 1998; and

reference to repealed Acts is deleted and reference to the new Acts is inserted.

The opportunity has also been taken to redraft a number of sections to clarify them and in some cases to also strengthen them. Members will appreciate that the Government has employed a number of processes to ensure that the review of the Act was as comprehensive as possible. I am confident that the measures contained in the Bill have sufficient flexibility to ensure that gaming in Western Australia is regulated in the interests of the community. I commend the Bill to the House. In doing so I table the explanatory memorandum.

[See paper No 1432.]

Debate adjourned, on motion by Ms Warnock.

APPROPRIATION (CONSOLIDATED FUND) BILL (No 1)

APPROPRIATION (CONSOLIDATED FUND) BILL (No 2)

Second Reading - Cognate Debate

Resumed from 20 May.

MR THOMAS (Cockburn) [2.41 pm]: I wish to use the opportunity of the budget debate to refer to a number of matters that fall within my portfolio responsibilities. I am glad that the Minister for Energy is present, and hope that he will remain for what I have to say, because I will refer to matters that fall within his portfolio responsibilities, principally energy. A number of matters also relate to my electorate and fall within the area of responsibility of the Deputy Premier in his capacity as Minister for Commerce and Trade, some of which I referred to earlier today in the form of a 90 second statement.

Energy is an important issue in this State. It is possibly the most important area of responsibility of the State Government for which this Parliament is ultimately responsible. It is frustrating for me as the Labor Party spokesman on energy matters to find that it is difficult to get parliamentary scrutiny of these important matters. The reason for that is that they are off-budget. We are considering the appropriations Bills, but much of the expenditure that takes place within the public sector is not able to be scrutinised in a direct sense because the utilities of AlintaGas and Western Power - formerly the State Energy Commission - are not provided for in consolidated revenue. Hence, in the second reading debate we can refer to them only indirectly and, of course, during the Estimates Committee process next week we cannot give those utilities line by line scrutiny because that is available only to consolidated fund departments.

The Estimates Committee process is one of the most important ways in which the Parliament exercises its responsibilities for holding areas of Executive Government accountable, yet there is a huge area of Executive Government in which debts of billions of dollars are incurred, substantial expenditure is made and important areas of public policy are implemented which are effectively beyond the scrutiny of the Parliament. During the second reading debate on the Budget we should reflect on that matter and consider doing something about it. This is probably the fifth or sixth time I have made that point; I do it every time we have a budget debate. In 1994 I made the same observation and quoted the Minister for Energy who, in his own words when he was opposition spokesman on energy, passionately advocated the need for parliamentary scrutiny of the off-budget utilities. Now that he is Minister, in a cavalier manner he refuses to allow such scrutiny.

As I have said on a number of occasions, the need exists for some sort of process of parliamentary scrutiny, which is the equivalent of the Estimates Committee, of utilities such as AlintaGas, Western Power, the Water Corporation and others that are off-budget but nonetheless involve expenditure of substantial amounts of public funds in the implementation of public policy that are most important in terms of the welfare of the people of Western Australia. In the last Parliament I gave notice of a motion for the creation of a utilities commission which would in some sense be equivalent to the Public Accounts and Expenditure Review Committee which would be responsible for overseeing the operations of utilities and reporting on them to the Parliament. On other occasions when I alluded to that notice, the Minister said that he would be prepared to look at it. I ask him again whether he would be prepared to consider that sort of mechanism so the Parliament can exercise its scrutiny over those areas which are off-budget but are nonetheless, for the moment at least, part of the public sector and should be able to be subject to the scrutiny of this Parliament. At the present time they evade that scrutiny and the Parliament is unable to discharge its constitutional function in those areas for those reasons.

Since the last Budget Speech there has been a major and substantial change in the structure of the energy sector in

Western Australia; that is, the sale of the Dampier to Bunbury natural gas pipeline. For a substantial sum of money that has passed from government ownership in AlintaGas to the private sector. When the possibility of selling the Dampier to Bunbury natural gas pipeline was announced by the Minister in 1996, as opposition spokesman I was asked what my response to that was. The Minister had announced that he would sell a 49 per cent interest in the pipeline, and the media asked me for the Opposition's response. I said that I thought it was a silly idea.

Mr Barnett: I did not say 49 per cent. Initially I said we would like a 50:50 project.

Mr THOMAS: I said I thought it was a silly idea; it was neither fish nor fowl and I said he should sell 100 per cent.

Mr Barnett: You wanted a second pipeline too.

Mr THOMAS: I still do.

Mr Barnett: Do you realise that single transaction made up for the equivalent of all the WA Inc losses; the catastrophe of the 1980s?

Mr THOMAS: That one clean deal, which the Minister claims has cleared all these debts that the Government formerly had, was advocated by the Labor Party.

Mr Barnett: You wanted two pipelines. You would have thrown away a billion dollars.

Mr THOMAS: We said to sell the lot; that the whole is worth more than the sum of the parts and the Government would get a much better price if it sold the whole lot. When I came into this House and said that is what we should do the Minister ridiculed me and said it was a silly idea. He said that if we sold the whole lot the State would be subject to some sort of monopoly exploitation by the people who would be the owners and it was a silly thing to suggest. Now the Minister is running around the country - I was present at a dinner he attended last night - claiming credit for a great master stroke that rid the State of all its debt. We are very pleased that he got such a good price. However, the Minister and the Government should have the humility to acknowledge that it was the Labor Party that suggested selling a 100 per cent interest in the pipeline. Many people have suggested that course of action over the years, but at that time the Labor Party made the suggestion and it was ridiculed by the Minister as a result. I will not spend too much time raking over old coals because the energy sector moves on and we must know where it is going.

Two big issues loom in this very important part of the Western Australian economy: Competition and privatisation. The people of Western Australia want to know the Opposition's and the Government's position in respect of those issues. Are we to have a competitive energy sector and privatisation? At some stage, perhaps in summing up or during the Estimates Committee next week, the Minister could state clearly what is his position in respect of the privatisation of Western Power and AlintaGas. The people of Western Australia want to hear from the Minister or the Premier a clear statement about whether they intend to sell those utilities and, if so, how the sale will be structured.

The Labor Party is opposed to the privatisation of Western Power and AlintaGas. I challenge the Minister to adopt a position in favour of privatisation of those utilities and to go to the next election advocating that policy, and the Labor Party will oppose it. I am sure that the people of Western Australia want those utilities retained in public ownership and that the Government will be punished severely if it supports their privatisation.

Apart from the issue of privatisation, we have the somewhat related issue of competition. The Labor Party is in favour of Western Power and AlintaGas remaining in public ownership. Along with the people of Western Australia, members on this side of the House believe that is very important. We also believe it is important to have a competitive energy sector.

In a sense that was envisaged when the Electricity Corporation Act and the Gas Corporation Act, which divided the State Energy Commission of Western Australia and created AlintaGas and Western Power, were introduced in this House in 1994. The Electricity Corporation Act has provision for third party access to Western Power's transmission facilities. A number of legislative heads, notably the Dampier to Bunbury Pipeline Act and the Petroleum Pipelines Act which covers all pipelines not covered by specific Acts, include provision for third party access.

The question of third party access is interesting and very topical. It means that a third party can have access to infrastructure used for the transmission of gas or electricity. Third party access to gas pipelines is the subject of legislation we expect to be introduced by the Minister in the not too distant future, because under an interstate agreement, he is obliged to have it enacted before 30 June. As members know, time is rapidly running out. We have a rather busy legislative schedule and I wonder whether the Minister will be able to get that legislation through the Parliament in time to meet that undertaking.

In any event, the question of third party access does not apply only to gas; it also applies to electricity. We need rules

to govern that. We could have a situation in which a provider of power has an interest in keeping competitors out of the business. If that provider is also the owner of the network, it can charge a price for access to the transmission network which makes the product uncompetitive to a potential customer. People in the business of generating and selling electricity and who wish to sell it to a party not adjoining their premises have made representations to me. Under the Electricity Corporation Act, they have a statutory right to access Western Power's transmission network. Western Power must provide that access and allow them to transmit their electricity to their customer. The problem is that it is not necessarily easy to work out what is a fair price for that transmission. The Electricity Corporation Act provides safeguards involving ring fencing, and the accounts of the transmission and generation businesses must be kept separately and accounted for as separate entities. That arrangement enables a provider to work out whether a cross-subsidy exists between generation and transmission that prices providers out of the market.

This is very important, because the distances involved in Western Australia are such that transmission is a higher component of the final delivered cost of energy than in other States. Everyone will agree that it is critically important for the development of this State that we have the cheapest possible energy. One of the ways of achieving that is to have competition, and that requires third party access to gas and electricity transmission facilities.

I have been told that Western Power is quoting prices for transmission that make it uneconomic. It is suggested that the prices are unrealistically high and that that is being done to price others out of the market.

There is a precedent for this in the late 1980s when the State Energy Commission had surplus gas to sell. It had obligations under the Gas Pipelines Act to provide third party access. A third party gas producer wanted to get into the business and use the pipeline to transmit gas to a customer who wanted to buy it for a fair price.

In that case the State Energy Commission, which had a surplus of gas to sell, wanted to keep competitors out of the market. It used gas quality specifications. It said that this producer of gas had too high a carbon dioxide content and would corrode the pipeline and, therefore, was not allowed to transmit that gas. I am not a technical person, but the prevailing view in the industry was that that was rubbish and that those gas specification rules were used to keep a competitor out of the market. If the State Energy Commission behaved in that way, Western Power would be tempted to act in the same way, because it is in its financial interests to keep competitors out of the market. There is a need for an independent regulator in the energy area to evaluate the prices asked and quoted by Western Power and public and private pipeline operators to determine whether a fair price is being charged for transmission or distribution.

Earlier this year there was a great fanfare; the Government called a meeting to brief people who were interested in the energy policy of the State. It was well attended by me and hundreds of people from the private sector and relevant government departments. The briefing concerned the Government's obligations to the Commonwealth and other States in terms of the national pipeline access rules. We were told that legislation would be introduced in which the Government would create a regulator that would regulate both transmission and distribution. Distribution is what occurs in smaller pipes to households and business, and transmission relates to larger pipelines operating at high pressure over great distances across the country. One regulator was to cover both transmission and distribution. This regulator must cover the transmission and distribution of not only gas, but also electricity. I have a question on notice, which has yet to be answered by the Minister for Energy, asking whether Western Power, when it quotes for distribution -

Mr Osborne: Why do you not ask how many megalitres are in a gigalitre while you are at it?

Mr THOMAS: I am talking about gas and electricity, rather than water. The relevant units are gigawatts and megawatts and the answer is 1 000. There is a need for a regulator to regulate both gas and electricity. I suggest that the same organisation can do both. The question on notice asked whether, when Western Power provides a quote for energy to a contract customer, as opposed to a tariff customer, it specifies a separate generation price and a transmission price and whether that transmission price is the price which is charged to a competing organisation. People who are in the business of generating electricity have said to me that as far as they are aware, there is no break down in the prices that Western Power charge between the generation cost and the transmission cost. They have a suspicion that the transmission component which they must pay - because they are quoted only a transmission cost - is higher than the price that Western Power would charge within the separately ring fenced business of generation and transmission. I look forward to hearing the answer to that question and I hope we will receive it before the Parliament rises for the break. If the answer is that Western Power does not provide separate prices - I believe it does not - it should, because it is obliged, under the Electricity Corporation Act, to run the transmission and generation businesses separately with ring fenced sets of accounts. It should be possible to provide a discrete component which is ultimately quoted to a potential customer and the transmission price which is quoted to a potential generator who would be seeking to compete with it. If this cannot be done - I insist that it should be done - there will be an inevitable call for the break-up of Western Power.

Mr Marlborough: It is in their plan.

Mr THOMAS: Carnegie recommended in 1993 that there be a break-up of Western Power into generation and transmission components. The Government did not go down that road except to say that it would break up gas and electricity and have separate organisations, but would not break it down any further. One of the rationales of the Minister for Energy at the time - it rang true with me - was that if it were further broken up, it would create small organisations which would create diseconomies.

Unless there is clear pricing there will be suspicion among people in the electricity generating area. There are cross-subsidies within Western Power and the prices charged for transmission that have been quoted to competitors with private generators - potential generators of electricity - are too high and that is keeping them out of the market. The provision in the Electricity Corporation Act for ring fencing of accounts is not effective and the call for a break-up of the organisation - that is something I will not support - is likely to grow. I hope that the Minister for Energy will answer the question on notice to ensure access to separate quotes for transmission and generation and that those separate quotes will reflect the same price that is applied to potential private generators who wish to be in that business. If that is not the case, increasing pressure for a break-up of the organisation will occur.

I refer now to the southern harbour development at Jervoise Bay in my electorate. The Minister for Resources Development, the Premier, the Deputy Premier and I travelled to Jervoise Bay on the long weekend of 26 January for the announcement by the Prime Minister that the Commonwealth Government would make money available to the State for the southern harbour development at Jervoise Bay. It is anticipated that that development will employ 1 600 people when it is completed, and employ 4 000 people during construction. It is obviously a very large project, which I welcome strongly because of the jobs that it will provide. It will provide jobs in a manufacturing industry - ship building or oil industry fabrication - which for the most part is non-polluting, and they are clever jobs.

The project includes the provision of educational facilities in the vicinity, and the University of Western Australia, Curtin University of Technology and TAFE are proposing to locate some facilities at the site. Therefore, we have the possibility of the location of a huge employer in an industry which for the most part is clean and clever, and facilities will be provided in training at trade to postgraduate levels. That has fantastic potential, and I welcome the development.

Nevertheless, that welcome has not been universal as it has received opposition from some quarters which can be attributed to a number of grounds. It will take up a significant amount of coastline on Cockburn Sound. It is an enormous project in terms of area. Frankly, the cost is worth paying given the benefits which will ensue to the State and Australia. It is the type of industry we need; that is, manufacturing clever products of that nature.

Unfortunately, the Government cannot help itself. It had to piggyback on the very good project some independent variables damaging to the environment which can and should be separated. I refer to the notion of building the Fremantle eastern bypass and channelling road traffic down Cockburn Road from the bypass to ultimately to link up with Rockingham Road through the Mt Brown regional park. That proposal is being presented to people in the environmental documentation as part of this project.

I put it to the Government - I wish the Deputy Premier were here, as he has responsibility - that the road proposals are an independent variable to the ship building project. Southern harbour needs east-west access to the mainly north-south roads in the corridor. Provision is made for heavy-lift roads east-west out onto Rockingham Road, and that is really all that is required for the project.

This Government's obsession with building roads down through the western suburbs to the southern corridor, which is unnecessary and most unwelcome, needs to be separated from the project altogether. I hope that the opportunity will be presented to make a substantial issue of that connection. I fear that some part of the commonwealth money for the project will be used for those roadworks, and this will be a misdirection of funds. This was proposed as centenary funds. The project may justify this funding, yet it may be used for an environmentally damaging project. It is unnecessary in a number of ways.

Firstly, Rockingham and Stock Roads run only a couple of hundred metres to the east of Cockburn Road. They are very wide roads with huge road reserves; in fact, they are almost as wide in parts as the Mitchell Freeway. They are established roads, and there is no reason that they could not and should not provide the major north-south access. The Government has a proposal attached to this project which would route the road through the Mt Brown reserve.

Mr Marlborough: And through Hope Valley, which is also unnecessary.

Mr THOMAS: Indeed. No reason exists for building those roads. In particular, there is no reason for them to be built in association with this project. I suggest that if the Government wishes to remove some of the opposition to the project, it could separate those two issues. Sure, a fight will arise when the bulldozers arrive to put a road through the Mt Brown reserve, which is an important part of the metropolitan reserve system. I have driven past it a thousand times, but until recently I had not been through it. It is undeveloped.

Mr Barnett: Where is it?

Mr THOMAS: Mt Brown is just north east of Alcoa. Wildlife is in that area that I did not know existed in the metropolitan area. It has no road through it; it has a few tracks which can be accessed with a four-wheel drive vehicle. It is an important natural reserve. It provides, together with the coastline at that point north of the Alcoa refinery and south of southern harbour, a complete transit from the coast to the inland area and it should be protected.

The opportunity exists, with the necessity to reroute Cockburn Road because of the construction of southern harbour, to take the road along Russell Road to Rockingham Road to provide access for people travelling that way. It is possible to keep the southern portion of Cockburn Road as a cul-de-sac up to the boundaries of the southern harbour project and to provide access to the caravan parks. Those areas could remain. It is possible to downgrade Cockburn Road to coastal access in areas where it is unnecessary for it to be taken up by industry. We could have a win-win situation where the Mt Brown reserve is not transgressed by road, and the traffic on Cockburn Road in its southern portion is restricted to those accessing the coast, rather than running a highway along the coastline.

Given that this is such a major project, and that it has a major impact on the area, both socially and environmentally, it is necessary for the Government to take note of the various groups expressing concern about it. The Government needs to have regard to the cumulative impact not only of this project but also of others.

It was interesting to see this morning's newspaper indicate that the Environmental Protection Authority will carry out a study on the cumulative impact of this and other projects. I am happy to accept the EPA's judgment on hydrological matters, the principal matters before it, but I am also interested in the cumulative impact of some of the Government's crazy ideas, and the concerns these raise in localities I represent and those represented by the member for Peel.

Last year, or possibly the year before, the Fremantle Rockingham Industrial Area Regional Strategy was developed. A map was found at the beginning of that report which identified two suburbs - Wattleup which I represent and Hope Valley represented by the member for Peel - with asterisks next to them relating to a note: "Future under consideration." People living in those suburbs face that comment in the government report.

Those people have been told that the area in which they live may or may not remain a residential area. How would any member of this House like it if that happened in an area in which they lived or in an area that they represented in Parliament? People do not know whether to paint their house or to add onto the patio, to take care of their homes, or whatever. It has cast a planning blight over two suburbs that should be resolved as quickly as possible. I believe it can be resolved positively to the advantage of those areas and of the industry. I have asked on a number of occasions in this House when the study will be wound up. It was to have been wound up by the end of last year. For whatever reason the people acting on the FRIARS study are saying now that it will not be ready until the end of this year. It is absolutely unacceptable that anyone can be asked to live in an area under such circumstances: These people have invested their savings and their nest eggs - it is their whole life - and the Government with a cavalier attitude sits on a report containing a map with an asterisk marking two areas, stating that their future is under consideration. These people are told that the report may be ready by the end of the year. When the end of the year comes along, those people might have been sent off to do something else. Whatever is necessary in terms of priorities should be allocated to winding up the FRIARS study so people will know where they stand. The Minister for Transport wants to build the scab port, as I call it, at Kwinana for his own ideological reasons.

Mr Marlborough: I had a meeting with Peter West of BP and he tells me that a week after the Minister for Transport mentioned his new harbour, they decided to tell Peter that it was actually going to have a service road running through BP's water treatment plant. That was the first they heard of it!

Mr THOMAS: One of the options if ever there is a need to build the port is to provide road access along the same latitude as Thomas Road, which is indicated by the maps that appeared in the FRIARS report and the location of the port as far as we have been able to ascertain it. That will not require the resumption of land at Wattleup or Hope Valley. I came to that conclusion by looking at these reports and maps. I challenge anyone to say that that conclusion is wrong. If I can do that, why on earth can the Department of Planning, which is responsible for this matter, not get this thing wound up and answer those questions? The FRIARS study is considering the real needs of industrial areas, not the ideological obsessions of a demented Minister. It said there would be no need for a port until the year 2015, the best part of 20 years. What do we expect these people to do? Are they to sit around for another 20 years while the Government says, "We may or may not need a port and the access road might go through your suburb, therefore we will not allow you to redevelop. We might resume your house or we might not, but it will be in 20 years' time"? The people in these suburbs are angry; they are angry at me because I represent authority. I go down there and tell them what is happening and they jump up and down and scream. I tell them I understand their frustration. If I were in their situation I would be very angry too. This area has been the subject of planning blight for decades. With the FRIARS report, that planning blight has come as a crescendo in the most cavalier manner. While the FRIARS report was being considered, it announced that expressions of interest were being called for the

construction of the scab port proposed by the Minister for Transport. The developer had a map which showed where the port would be located and the necessary infrastructure, which absolutely affected the lives of these people. These people wanted a copy of the report. The Minister said it cost \$1 000. They said, "If the proposal will affect our lives, why can we not have a look at the report?" The Minister insisted that they buy it. I have never known any Government of any political persuasion under any circumstances to treat its citizens in such a cavalier manner, and to say that a report which vitally affects the homes, nest eggs and investments of a whole community should be purchased by those people for \$1 000. Those were the Minister's words. That is absolutely appalling. The Premier should have called the Minister to order and insisted that the citizens of this State not be treated in that manner.

We are opposed to the privatisation of Western Power and AlintaGas. We are in favour of competition and believe that the current practice of Western Power appears to be contrary to competition. I am in favour of the Jervoise Bay development but strongly opposed to the unnecessary road developments which are associated with it which will affect the lives of people and conservation in the area.

MRS ROBERTS (Midland) [3.26 pm]: This State Government Budget is a dismal and disappointing document that took the easy options of selling assets and taxing families. It has failed to live up to the most basic expectations of the community. Those basic expectations include a decent health care system and the maintenance of law and order in our suburbs. This Budget does nothing to address the significant and continuing problems in areas such as health and police. There is a huge gulf between what this Budget delivers and the sweeping, confident promises that were made by the Premier in November and December 1996 when he sought a second term for the coalition Government. It was a simple message that he sold the community back then. His speech was a message in two parts: "You have had the pain. Re-elect us and you will reap the gain." The first part was believable because the community had been through a lot of pain. The community had been faced with increases in petrol excise, water and sewerage rates, and other basic necessities including bus and train fares and the like.

There was certainly no credibility gap in that statement. The community certainly took pain in those first four years of the Court Government. That is where the truth ended. In the second part of the Premier's statement the community was told it would reap the gain, the social dividend, of the four years of pain. On that score, the community was really sold a pup. The community will not be conned twice. The feedback from my constituents is that this is a go nowhere, do nothing Government. It is more interested in road building and big business than in living up to community expectations in areas such as health and policing. Constituents in my area save special criticism for the Premier because it is he, the leader of his party, who made the key promise that betrayed the people of Western Australia. Many of my constituents also say that they believe the Premier is more interested in building monuments to himself and the Government, such as the Northbridge Tunnel and the proposed convention centre.

Mr Barnett: The convention centre is important to our State.

Mrs ROBERTS: The Premier's credibility has been critically damaged by episodes such as Elle Racing and Global Dance.

The loudest and clearest message from the community is that this Government has its priorities wrong. I repeatedly hear that the priorities for most people in the community are health and law and order. Education is a close third. The community has high expectations of our State Government's education system to, at the very least, maintain the quality of education of our children and keep up with future developments.

Mr Barnett: This year's Education budget is around \$425m more than the Labor Government's last Education budget. We have increased education spending by more than 40 per cent in the past five years.

Mrs ROBERTS: I expect we will deal with the detail of the Education budget during the Estimates Committee. However, this year more than any other, I have been contacted by more and more parents who tell me that the aide time available to their children with significant disabilities has been cut. Although on the face of it there seems to be no explanation for this, regular advice from the Education Department is that a review has been held. It seems that many reviews have resulted in reducing aide time for children who need full time aides. In instances in which children have had an aide for 0.8 of the time, the time has been reduced to 0.6 or the like.

Mr Barnett: The teachers' union and parents publicly supported our inclusion program announced six months ago.

Mrs ROBERTS: I am not putting forward an argument about inclusion. Where children with disabilities are included, appropriate aide support is necessary for the benefit of both the child and the teacher. The inclusion of these children in the classroom places extra demands on the teacher.

The other loud and clear message for this Government is that it is plainly and simply out of touch with ordinary families who cannot afford private health care, private schools, increases in water and sewerage rates, or increases in public transport fares especially for children and pensioners. Transport concession fares have seen some colossal

increases over the past five years. The Ministry of Transport's agenda is to have a user-pays system. Grandparents and children must pay their way on our buses and trains.

Families cannot understand why elderly relatives cannot get hip or knee replacements or cataract operations. Other families go without to pay for private health insurance to keep themselves off the horrendous waiting lists.

The other week a young woman and her husband, toddler and small child came to see me. The woman has needed a gall bladder operation for some months. As a result of her last gall bladder attack her doctor, who said she needed emergency treatment, sent her to Swan District Hospital which was not able to accommodate her. I thank God I have never experienced gall bladder pain. People with whom I have spoken have said it is horrendous pain. I think the member for Peel has experienced it. That mother with a toddler and young school age child has been waiting for months to have an operation because of the lengthy hospital waiting lists. When she is in acute pain her husband must take time off work because she is unable to care for her children in the manner that she would like. That is not what growing up in Australia used to be about. It used to mean top quality education and health services.

Families are now paying more for child care. Mums and dads tell me that children are having their aide time at school cut and that programs to help children with learning disabilities do not exist to the extent they should. Those children are still being left behind by the system.

Families are getting sick and tired of the high rate of break and enter incidents and delayed police responses. It does not seem to matter whether they dial the 000 or the 9222 1111 number. People have told me that delays in getting through on both those numbers have been unacceptable. Their chief complaint is not necessarily that they must wait 50 minutes, or even a couple of hours for the police to arrive, but that they must wait on the phone for up to 10 minutes before they can tell an officer that someone is prowling about their house or trying to break in through a window. Their major concern is that they are unable to let anyone know they are in what they believe to be imminent danger.

One of my constituents, Mrs Tropiano of Middle Swan, was out shopping with her daughter at the Midland Gate shopping centre last year when she had her bag snatched. While they were loading shopping into the boot of their car another vehicle drove up so quietly they did not hear its approach. It squeezed them so tightly between the side of the second vehicle and their car boot they were unable to move. Mrs Tropiano's bag was snatched and the thieves escaped. A nearby person rang 000 on his mobile telephone, not just once but a number of times, before he was able to speak to the police. Had he got through sooner, he would have said that a crime was in progress. By the time he got through he had to say a crime had occurred and the thieves had driven off. That is not the kind of service the community expects from our law enforcers.

The story for Mrs Tropiano got worse. Approximately \$200 was stolen with her handbag together with a very expensive ring of great sentimental value to her, house keys and other belongings. She has had frequent contact with government members and agencies, all to no avail. She received a letter from the member for Swan Hills who had some advice from the Attorney General. He offered her about one and a half pages of platitudes and concluded his letter of 9 February by saying -

I understand that Victim Support Service has helped Mrs Tropiano to lodge a claim for criminal injuries compensation, and that a counsellor, Mr Renay Grech, is available to provide further support to the family if they consider it necessary.

Someone from the victim support unit helped Mrs Tropiano lodge a claim for criminal injuries compensation. How do members think she felt when she received the following letter from the office of the Assessor of Criminal Injuries Compensation? It reads -

CRIMINAL INJURIES COMPENSATION - CATERINA TROPIANO

Your letter received in this office on 10-12-97 enclosing your application is acknowledged and will be dealt with in due course.

Due to a significant increase in the number of applications being received, claims are currently taking approx 24 months to process and finalize. I regret these delays and your patience would be appreciated.

It is signed with an unreadable signature and the words "for CHIEF ASSESSOR OF CRIMINAL INJURIES COMPENSATION".

This system is failing the people of our State. It certainly has failed Mrs Tropiano in this instance.

First, it failed to render her more direct assistance at the time she was robbed and, further, it wasted her time asking her to fill in forms and then telling her to wait 24 months. It may be taking even longer now. Justice delayed is often

justice denied. It is a disaster for the Government if people must wait in the order of 24 months for their claims for criminal injury compensation to even be considered.

How can people judge a Government's performance in the area of law and order? Three major factors are involved. The first is a reduction in the level of crime. That is the first thing the community would like to see in law and order. They want a reduction in the number of home burglaries, car thefts, armed robberies, assaults and all other types of crime. The statistics indicate that the Government is failing in this area. A detailed analysis of crime statistics and comparison between those in this State and those in other States indicates that Western Australia has by far the worst crime rates.

The second area in which to judge a Government's performance in law and order is the crime clearance rate. Most people want more crimes to be solved. If people get away with crime, it encourages them to commit further offences. A clearance rate of only 10 per cent for home burglaries reflects poorly on the Government's record. The clearance rate in some suburbs, particularly South Perth, is closer to 5 or 6 per cent. That means more than 90 per cent of home burglaries are never solved. What deterrent is provided to potential thieves if they know there is a 90 per cent chance they will get away with an offence? At a conference I recently attended it was suggested, especially in relation to juvenile criminals, that the biggest factor people took into account when committing a home burglary was the likelihood of their being caught, rather than the penalty. If they assess that they are not likely to be caught, they commit the burglary. That is the second area in which this Government has a lot to answer for. It must make a concerted effort to increase the clearance rate for some of the crimes that are plaguing the community.

The third factor is community satisfaction, and this is another area in which the Government has failed. The community plainly is not satisfied with the Government's efforts on law and order because the rate of crime has not reduced. People are dissatisfied because not enough crimes are solved, and the police take too long to respond to their telephone calls and their needs.

The three main criteria are a reduction in crime levels, a higher clearance rate, and an improvement in community satisfaction. If these are the criteria by which to judge a Government's performance on law and order, the five years of the Liberal-National Party coalition Government have been a dismal, complete and utter failure. If the Government, through the Police Service, cannot reduce the level of crime, solve the crimes committed and meet the community's expectations, it is failing the community on law and order issues. Arguments about the number of police, the budget, the buildings, equipment and so forth are of little consequence in relation to these three major items.

Not only are the massive crime rates a matter of concern, but also people are concerned about the failure to solve a higher percentage of crimes and some of the absolutely heinous crimes, such as those being investigated by the Macro task force. These are significant crimes that still have not been solved. The police still do not know who took Sarah Spiers or what happened to her, or who killed Jane Rimmer, Ciara Glennon or Gerard Ross, the little boy who went missing from Kent Street in Rockingham and was murdered. The police also do not know the identity of the serial rapist who continues to rape and assault women in the suburbs.

I make it clear that my comments are absolutely no reflection on the many hardworking police involved in the Macro task force or any other task force. I know that officers are working night and day to solve these and other crimes. My comments are intended to ensure that appropriate staffing levels, resources and management are provided so that these officers are given every opportunity to solve these serious crimes. The Government must support good police work rather than run media campaigns and promote the Delta program as a panacea. Actions speak louder than words, but all we have heard from this Government on law and order for the past five years is talk. The community wants results. I do not believe those results will be achieved if the Government continues to cut the operating budget of the Police Service.

Mr Barnett: Would you increase the powers of police? You would have a battle with civil liberties groups. Probably one of the most effective things that could be done would be to substantially increase the powers of police on the beat, but there would be a community issue about that.

Mrs ROBERTS: In light of the various allegations made recently of corruption, which have not been resolved, the community would probably, rightfully, have some concerns about giving the police more powers. I would be prepared to consider some increase in the powers given to police. However, unless the community can be sure that the Police Service is free of corruption, and that there will be no repetition of the incident last week in which three officers interrogated a man in his home at Maylands, I do not think increased powers for the police would sit happily with the community. First, the community must have its confidence in the integrity of the Police Service restored. Once that has been done, consideration can be given to increasing the powers of police officers.

The year before last the operational budget of the Police Service was \$40m. Over the course of last year it was cut

by \$6.25m. In this year's Budget the cut is a further \$2.75m. The projection for next year is that it will be cut by a further \$2m. I do not see how a decrease of \$9m over the past two years in a police operational budget of \$40m could help police officers at the front line go about their duties and respond to the community as they need to. The argument by the Minister for Police is that these cuts can be made to the operational budgets because of productivity gains. It does not wash with me, and I do not think it would wash with too many people. It is similar to the Minister's line that the crime rate has increased because people are now much more confident about the Police Service and they are more likely to report crime now than they were previously. Bearing in mind the massive increase in the number of armed robberies, I do not think anyone believes for one moment that people did not report armed robberies previously because they lacked confidence in the Police Service. Of course, crimes such as that have always been reported and always will be. It should be plain to anyone that cutting the operational budget by that drastic amount will not enhance the ability of the police to do their job at the operational level.

It is not as if the crime figures indicate that we have nothing to worry about. In my opinion, our crime figures are the most worrying in the nation. I note question on notice 2894 from the member for South Perth to the Minister for Police in yesterday's *Hansard* relating to sick and stress leave. The member asked how many days' sick and stress leave had been taken by police personnel in each of the past four years. The answer indicates that in 1993-94, officers took 27 059 days' sick leave; in 1994-95, 28 251; in 1995-96, 33 758, and in 1996-97 the figure was 39 379. Over four years the number of sick days taken has increased by 12 000. Surely those figures must send a clear message to the Government that something is going wrong in the management of the Police portfolio.

More crime is being committed; there has been no improvement in the clearance rates, and it is obvious that the community is very dissatisfied about law and order issues. I am sure that it is a hot topic in all electorate offices, on talk-back radio, and in letters to suburban newspapers and *The West Australian*. In addition, we have been provided with evidence that police officers are taking thousands more days' sick and stress leave than they did four years ago. That is a matter of enormous concern. Anyone's initial response would be to question the sudden and large increase in the number of sick and stress leave days taken by police officers. I suggest that one of the significant reasons is the Delta reforms. Delta is no more than a devolution project. Part of the project involves devolution of responsibility, accountability and authority for appropriate functions to the regions, districts, subdistricts, and portfolios. The portfolios include the child abuse unit, the drug squad, the CIB, 79 Division, and the like. It is all very well to undertake a massive program of change, but unless positive results are achieved it will be of no value. Unless crimes are solved, unless the crime rate is reduced or improved, the public's opinion of how the Government is handling law and order will be low, and little will be achieved. If those factors contribute to very low morale in the Police Service and police officers take a high number of sick and stress leave days, we must question the value of such a program.

A complete review of the Delta program is long overdue. It should not be a review undertaken by the Police Service or one headed by the Commissioner of Police, who regards Delta as his baby; but an independent review of the results of the program. It should not be some airy fairy long argument with glossy photographs. It should outline the real results such as a reduction in crime, increasing community satisfaction, improving police morale, a reduction in the number of sick days taken, and a reduction in the police officer attrition rate. If the informal advice that we have received is correct, as well as officers taking more sick and stress leave, the attrition rate will be at an all time high as those officers become sick and tired of the new management service, the forced transfers and other management structures which have come into play since this Government was elected.

In addition to those problems, the Government has failed to deal adequately with police corruption. It has been a couple of years since the Tomlinson report was handed down in the upper House. Since the release of that report, the reputation of the Police Service has, rightly or wrongly, been under a cloud because significant allegations were made. The committee made significant recommendations about what it believed should happen, in the light of its detailed discussions and hearings. However, the Government, with much ducking and weaving, failed to address the problem. The Government thought that if the issue was covered up and it pretended that corruption did not exist and that the committee was wrong, it would not exist, and the community would be satisfied. The Government has tried to hive off the allegations to secret bodies, such as the old and much discredited Official Corruption Commission. Now we have the Anti-Corruption Commission which has covered itself in much less glory than did its discredited predecessor.

The allegations of police corruption are too serious to be fobbed off. They must be treated seriously, not necessarily because I or anyone else might possess any hard evidence of corruption in the Police Service, but because the public's perception of our Police Service is at an all time low. I do not think that the presentation of the Tomlinson report, and other events since then - such as the resignation of a drug squad officer, Julian Suthers, who said that he was joking about dividing up money from a drug raid; other people speaking out about corruption; and last week a person alleging that he was assaulted in his flat by three police officers - help the community to have any confidence in the integrity of the Police Service.

Until the Government bites the bullet and sets up an appropriate and open inquiry into the Police Service - it must be an independent inquiry - confidence in the Police Service will not be restored. I hope that most police officers are good and honest people, and will be cleared by such an inquiry. However, corrupt police officers should be weeded out as soon as possible. It is all very well to trump up some arguments and say that some of the recommendations of the Wood royal commission have already been implemented, and so on. I do not consider that most of them have been implemented. However, until the community is assured that the corrupt and bad police officers have been weeded out, confidence in the Police Service will not be restored.

The Police portfolio has been a disaster zone for this Government. Five years of coalition Government have seen rising crime rates and not much good news on clearance rates. In fact national documents, such as the report on government services, state that clearance rate information for Western Australia is not available. Where those clearance rates are available in other documents, they are very average.

There has been a complete lack of community satisfaction about the Government's performance on law and order. Our Police Service is experiencing its lowest morale ever. The new management of the service has resulted in far more officers taking sick and stress leave. Those figures speak for themselves. Five years of coalition Government have seen frontline officers starved of necessary resources and over the past couple of years the operational budget has been slashed. We have also heard allegations of corruption running rife. The Government's response has been to fob off everything to the Anti-Corruption Commission. Of course, as I said, the ACC has failed to cover itself in glory. The Government should have known that such authorities are set up to investigate crime and not to be judicial authorities or to bring down findings. Despite information that it could have gained elsewhere or by correctly interpreting its own legislation, it made findings and was found by the Full Court to have done so illegally and, further, it illegally transmitted those findings to the Police Commissioner. All in all, the law and order scenario in Western Australia over the past five years has been very sad.

I will briefly mention some issues affecting Midland. One piece of good news we received a few months ago from this Government was the announcement of the construction of a police operations centre on a small portion of the old Midland Workshops site to the value of about \$40m. That news was greeted with much excitement in my electorate and the surrounding east suburban region. I do not mind giving credit where credit is due, and I fully endorse and welcome that initiative for the Midland area. The project will include the updating of the communications system. Unfortunately, everything is happening much too slowly. Only a small amount of money is included in this year's Budget for the updating of that communications system, and it will be a number of years before it is fully operational.

It was also a great disappointment to the region when we realised that, despite the announcement in a blaze of glory by the Minister and the Police Commissioner, very little of that \$40m is included in this year's Budget. A couple of hundred thousand dollars has been included for some very preliminary plans, but that is not good enough. The people of Midland have waited far too long for action on the workshops site. The coalition Government has an obligation, not only to the people of Midland but also to those in the surrounding hills and Swan Valley region and neighbouring electorates such as Avon and Merredin, which strongly support the Midland region. We cannot afford to leave the site lying waste for so long.

The Premier was recently quoted as saying that it is not fair to say that the Government has not spent any money on the site since the workers were sacked and the workshops closed at the start of its first term in office. It has spent money on basic white ant treatment and the like, but that is not good enough.

The Premier is also sensitive about issues raised by the National Trust in respect of the buildings on the site. The people of Midland are right to be concerned about the Midland Workshops site. We have not had much commitment from the Government; in fact, funding for the first real commitment about a small part of the site has not appeared in the Budget thus far. Until we see the colour of the Government's money on this, we will not be full of confidence.

Cabinet will meet in the Midland region next week, and I hope to hear something more positive then. The most positive thing the Premier and his Cabinet could do would be to give an unequivocal commitment to the construction of a university on the workshops site. The rapidly growing eastern region has been very much neglected in terms of tertiary educational institutions. *The West Australian* contained comments about the Wanneroo region and its expansion and the 30 000 people in the member for Wanneroo's electorate. Midland is the second largest electorate in the State - it now has over 28 000 people. I understand that the neighbouring electorate of Swan Hills is also growing rapidly, with extensive urban expansion in areas such as Ellenbrook. Expansion is also occurring in Swan View, Jane Brook, South Guildford and Rosehill estate within South Guildford. The eastern region is coming under much greater pressure from housing and urban expansion.

Midland serves as a central point for many eastern regional areas of Western Australia, but it has no university. Unlike the southern or western suburbs, it does not have a Murdoch University or a University of Western Australia,

and it is not particularly close to Curtin University. It is clear that another university is needed in the Perth metropolitan area as it expands. Any comparison of the numbers of tertiary institutions in other States will bear that out.

There are two very concerning aspects to this. First, we know of the Government's privatisation plans for Westrail and, second, its desire to sell off assets. The people of the eastern region do not want the workshops site sold to the highest bidder for piecemeal development. In fact, most people in the Midland and eastern region want a university on that site. It will be too late if in five or 10 years a Government discovers there is a need for a university in the region, because it will then have to find a site. It is clear to anyone who gives it any proper consideration that the Midland Workshops site is an ideal location for a university because of its strategic location. Midland was originally established as Midland Junction not only because of its rail services but also because of the major roads in the area. It is also directly linked to the urban electric transport system, which enables rapid transport between Midland and other regional centres.

That is the key promise the Government could make to the Midland and eastern region. We need a firm commitment on that matter. If that commitment is not made shortly, I am sure the opportunity will be lost. We do not want to see any more bungles by Ministers who sell sites piecemeal; rather, we want a proper plan and a university for that site.

I refer briefly to the case of Mr Graeme Martin, which I raised in question time yesterday and today. I understand that the Premier said in his response today that he would look at an ex gratia payment for Mr Martin. I hope the Premier is true to his word and looks at the situation with some urgency. Mr Martin wrote to the Premier late last year, and received a response on 10 November. He was told that the case would be given due priority, and that it was hoped his case would be resolved in the near future. That was November last year - six months ago - yet Mr Martin's case is still not resolved.

Since receiving the Premier's assurance on the matter, Mr Martin's wages have been cut and he now receives no reimbursement for his medical expenses. It is an appalling situation. The Premier should look at it with great urgency. I wonder what message this case sends to other emergency service personnel who put their lives on the line. How willing will they be to do that when they see how the Government has treated someone with Mr Martin's impeccable record over 23 years in the Fire and Rescue Service of Western Australia?

MR KOBELKE (Nollamara) [4.12 pm]: It comes as a surprise to me and many other members, following the glowing presentation by the Treasurer that it will be easier to understand the Budget and departmental activities with the budget papers, that his claim is not reflected in the documents. In fact, they make it harder to understand the operations of agencies.

The papers are fine in the presentation of a whole of government view, yet this Budget makes it more difficult than previous budgets to consider activities in individual agencies. The reality is totally opposite to the Treasurer's claims.

I heard the Treasurer on the television news speaking to a business breakfast the morning after his budget speech. He said it was done with smoke and mirrors. I did not hear any laughter from the audience, which seemed to reveal the reality of this Budget.

We were presented with a beautiful CD-ROM. Great, I thought; we will get some spreadsheets and figures reflecting departmental activity. However, it contained no spreadsheets and very few figures. It has wonderful graphics and a terrific presentation with a woman's voice telling us that the world will be a better place tomorrow. However, little is offered to make sense of the Budget and how the Government is spending people's money. It is a case of smoke and mirrors.

As the member for Girrawheen said, it is a con on Western Australian families. Ordinary families must bear the burden of this Government's mismanagement of the economy. My speech will provide ample evidence that the Government is mismanaging this State in a major way.

Let us consider the impact of the Budget on families. The Treasurer acknowledged this week that the added burden through taxes and charges on the average family was \$300 since the Government came to office. In terms of twisting the figures, that is as low as the figure can be. Families face at least an additional \$300 in charges since the election of the Court Government. Ordinary families are paying the cost for the mismanagement of this Government.

Let us consider growth, which has been excellent for the State. When considering the Government's management of the economy, we need to compare like with like. It is nonsensical to compare figures in the Budget at a time of high economic growth, some say a boom period, with figures from the down swing of the cycle. The Government can make such comparisons for good political effect, but it has no basis in reality.

In last year's Governor's speech, the Government trumpeted that we were in the midst of the greatest resource development period in Australia's history. That may be exaggerated a little, but ample evidence indicates that our

resources sector is doing very well. We can be proud of that. I acknowledge that the Government has contributed to that result. However, where is the benefit to the average Western Australian from that growth? Families are paying \$300 more in taxes and charges for a reduced level of service. We need to make those comparisons. Page 16 of the "Economic and Fiscal Overview" in the budget papers reads -

Economic Growth in Western Australia is expected to moderate slightly to 5% in real terms in 1998-99, following strong growth in 1997-98, estimated at 6.5%.

It is anticipated that the Western Australian economy will remain one of the strongest in the nation despite this easing in growth.

I do not doubt that. With this economic growth, and as the Government tells us it is doing a great job, why is the average Western Australian family put under such strain and suffering? Why are they experiencing a reduction in government services at an increased cost when the economy has been doing well for some years? The Government says that it is making everything well, but, like the Treasurer's statement about a well-presented, transparent Budget, it is not true. It does not add up.

We must consider the stewardship of this Government and how it compares with other States, or other Western Australian Governments under similar economic conditions. This Government does not come up too well under such analysis. Where are the benefits for ordinary Western Australians?

I mention two matters which the Government has heralded in the past, but which have been flops. The Government suggested on the back of the McCarrey report that contracting out and privatisation would save hundreds of millions of dollars a year on an ongoing basis. This was to be ploughed back into hospitals, the police and schools. Why are our hospitals, police and schools doing it so tough? Where are the hundreds of millions of dollars the Government promised through privatisation and contracting out? The money evaporated through the mismanagement of this Government.

What about asset sales? A fair amount of these proceeds were used to retire debt. We are told that by retiring that debt, we are saving hundreds of millions of dollars a year in interest payments. What has happened to those savings through not paying interest on debt? This money could be directed to services for ordinary Western Australians. Again, it evaporated through the mismanagement of this Government, and no social dividend has been forthcoming for ordinary families.

We find instead that personal safety is becoming a crisis issue. Crime is increasing. The revolving door is spinning faster and people are feeling less safe. Most indicators show that we are leaping ahead of other States in crime rates. It is unacceptable that people feel unsafe in their homes.

What about hospitals? Are ours better than those in Queensland and other States? Are we putting money saved through debt reduction into hospitals? We know that that is not the case. Nurses are on strike, and people are dying while on hospital waiting lists. Where is the social dividend and the benefit of hundreds of millions of dollars we were told would be saved to advantage the people of Western Australia? It is a total con job.

Similarly, our schools are limping along underresourced, and some must close to save money. Where is the benefit for our children? We have seen a deterioration in a range of government services and an increase in taxes and charges for families.

The Government has said from time to time that the benefit is in employment as we have had huge job growth. That claim contains an element of truth. However, let us look at the Government's stewardship. We have had excellent job growth in WA and Australia as a whole for most of the time the Government has been in power.

Let us put the facts on the record. When this Government came into power in March 1993, job growth in Western Australia was five percentage points ahead of the national figure. Jobs were being created at 5 per cent and the national figure was almost zero. In the past five years, though still in front we have gone down to 1 to 2 per cent above the national average. We have done well, and that is good. However, we have lost the lead which this Government inherited of 5 per cent job growth. The job growth has gone into part time jobs. The full time, secure jobs are dwindling. The big growth is in insecure, precarious employment - part time casual work. That has created huge job insecurity. Although one can say there are more jobs and the unemployment figure fell in the last month to 7.9 per cent, which is an excellent figure, that does not wash with the people, because they and their families and friends are suffering from this huge feeling of job insecurity largely created by this Government through its wages policy and its industrial relations legislation and policies. Let us go back to actual job growth and look at some figures that are a little more honest than those we see the Government using. This Government has now been in power for more than five years. Employment figures are available from February 1993 when it was elected to February 1998. I wish to compare that record with the first five years of Labor from 1983 to 1988.

There are two reasons that that comparison is worth making and has some validity. First, in both cases, one is looking at the first five years of a term of government after winning power. Secondly, both those periods, 1983-88 and 1993-98, were times of coming out of a downturn and the commencement of the upturn of the economic cycle. They are not exactly the same - there are differences - but they are both on the upside of the cycle. In total employment, in the five years under Labor, job growth was 22 per cent. In the first five years of the Court Government, job growth was 18 per cent.

Mr Osborne: Take out Brian Burke and Mal Bryce, because they lost their jobs.

Mr KOBELKE: Obviously the member is not interested in the figures with tripe such as that. The point is very clear. Labor was able to produce job growth of 22 per cent in total employment in five years, while this Government has produced job growth at only 18 per cent. If one used the same multiplier. For the Court Government to do equally as well as the Labor Government, another 30 000 jobs would be available today, which is approximately half the number of the unemployed. That is how much better we would be doing in job growth if the Court Government had matched the Burke Government in job growth. Labor did only slightly better in casual labour, principally because we have seen a growing movement into part time jobs. I have given the total figures and I seek leave of the House to incorporate in *Hansard* the figures I have quoted.

[Leave granted.]

Employment Growth Comparison - Western Australia 1983 to 1988 Compared with 1993 to 1998

All Original Series

	Full-time Employment	Total Employment	Part-time Employment
Feb-83	465 000	569 100	104 100
Feb-88	551 100	691 800	140 700
Job Growth under Labor	86 100	122 700	36 600
As a %	19	22	
Feb-93	556 300	735 400	179 100
Feb-98	638 200	868 400	230 200
Job Growth under Coalition	81 900	133 000	51 100
As a %	15	18	

Mr KOBELKE: Those figures show that there is some basis for the Court Government's claim that part of its social dividend is the creation of jobs, because Western Australia experienced some good job growth. However, when one compares the stewardship of the Liberal Government with that of the first five years of the last Labor Government, the Liberals are seen to be lagging behind. They do not have anything to crow about. This Government could and should be doing better but it has taken no real interest in creating employment. It has not been on its agenda. Job creation has been fortuitous. The economic growth of this State has flowed through to jobs, as one would expect. However, it is not something of which this Government has tried to take maximum advantage. I do not have time to go into the strategies that could be employed; that could be a debate for another day. The Court Government has exacerbated this situation by its industrial relations decisions and its wages policy, which has impacted on the level of wages paid to ordinary Western Australians. Employment growth is not as good as it should be and many people are in precarious employment. The remuneration is not as good as it should be.

I refer now to the shift into the part time work force, as revealed in last month's figures released a week ago by the Australian Bureau of Statistics. I preface my comments by acknowledging that one month's figures cannot be used to reflect trends or the full situation. If people look at preceding months, they will note that in one month a loss of full time jobs occurred, while in the next month there may have been a slight gain; but overall, the major growth area is in part time jobs. What did we find in last month's figures? The unemployment figure came down in seasonally adjusted terms to 6.9 per cent. In that same month, there were 6 000 fewer full time jobs in Western Australia. That seems a bit incongruous. Unemployment fell yet in the same month there were 6 000 fewer full time jobs. Of course, one starts to see the problems of job insecurity. Last month was a little unusual in that, of that loss, 6 100 were full time jobs occupied by women. They disappeared out of the State. The growth comprised a small growth in full time jobs for men and a big growth in part time jobs for men and women. This continuous slippage from full time to part time work is most worrying. Part time work means anything from one to 35 hours a week. The person working 35 hours a week might have three part time jobs. However, that is recorded as one person working part time. The hours in the jobs are accumulated to record a total number of hours worked.

There is a demand for part time work. Some people who have parental responsibilities, retirees, people who have taken redundancy and many students may want to work part time. However, a huge number of unemployed people want full time work but cannot find it because all that is available is casual employment which lends itself to great job insecurity.

I will now try to provide some understanding of wage levels. People might believe they are benefiting from having more job opportunities. However, are they enjoying meaningful, well paid jobs or are they simply slipping into the class of the working poor? Are their wages and conditions being driven down to a pittance for extremely long hours which they work in order to survive and meet their needs and those of their families?

Unfortunately, as a result of this Government's industrial relations policy, employment conditions in this State have gone rapidly backwards. It is easy to make that claim, but shortly I will present supporting figures. This decline has occurred since 1994. This Government's industrial relations legislation was implemented in 1993 and it has taken a while to have an impact. That impact has been a huge decline in the relative value of wages in Western Australia compared with the rest of Australia.

Why should Western Australia be experiencing this decline compared with the rest of Australia? Its economic growth and unemployment rates are better than those in the rest of Australia. The only reason I can see for the difference is the Workplace Agreements Act which was passed in 1993. This Government heralded it as a milestone for industrial relations in Western Australia. It put in place tougher, more stringent policies and laws to ensure less flexibility in the workplace and that wages could be driven down. That is now evident in current wages statistics.

Workplace agreements have been a major contributor to the drop in wages for people at the lower end of the wages spectrum. That has occurred not only because of the way in which wages are fixed - there is no accountability and the minimum level is set by the Minister, not by an independent authority - but also because they create a degree of insecurity in employment. People must either take jobs on low wages or go without. Even though only a relatively small number of people are affected, the whole system tends to have a ripple effect throughout the work force which drives down wages in sectors where they are already very low.

Along with that, the attack on unions by this Government means those individuals do not have the strength of representation to provide bargaining power to improve their wages and conditions of employment. The whole wages and conditions platform implemented by this Government has attacked the rights of workers, undermined the ability of unions to uphold their rights, led to a deterioration in working conditions and caused a relative drop in the wages of Western Australians.

The most recent federal award minimum wage was set on 29 April 1998. For the lowest paid it gave an increase of \$14 a week. That brought the minimum federal award weekly wage for a 38 hour week to \$373.40. Some awards might involve more hours, but in a large number, if not the majority of federal awards, the minimum weekly wage is \$373.40 for a 38 hour week.

The minimum wage under the Western Australian Workplace Agreements Act for a 38 hour week is \$318.25. That is a discrepancy of \$55.15 a week. The lowest paid workers under a Western Australian workplace agreement are 15 per cent worse off for a 38 hour week than someone on the minimum federal award. That amounts to almost \$2 900 a year. Where are the benefits of Western Australia's excellent economic growth and supposed good government if a Western Australian on the minimum wage under a workplace agreement is \$2 900 a year worse off than a person working under a federal award? Where is the advantage and the social dividend? Clearly there is none; it is a total sham.

Some people might point out that that is just the minimum wage and only a small percentage are paid that amount. However, when we drive down the minimum wage, repercussions are felt throughout the economy and as a result the wages of many other people are undermined; not necessarily of everyone but of people in many sectors.

Workplace agreements in Western Australia have had a poor take-up. The answers to questions I asked of all Ministers last year indicated that, of all public sector employees in trading enterprises and departments, only 10 per cent were working under Western Australian workplace agreements. Despite the Government pushing very hard on this issue, offering incentives and additional wages to get people onto workplace agreements, last year only 10 per cent of all government employees were on workplace agreements.

As a result, of course, the Government has changed its policy. It has made it mandatory that all new employees go onto workplace agreements. Workers are aware that they are being disadvantaged by being forced to work under workplace agreements. The Government has had to bring out a bigger stick and say that if new employees do not sign workplace agreements they will be unemployed, further driving down wages in this State.

That of course places employees in a situation of great uncertainty and jeopardy. It encourages victimisation which

has become rampant under this Government. Employees are saying to me that if they stand up for their rights and try to seek lawful wages under the labour laws they will lose their jobs. Workers want to know what they can do. In many areas the Government has cut back the ability of unions to represent their members. Workers want to know who will protect them. They feel that their jobs are in jeopardy, they are being victimised by their employers, and, rather than get what they are legally entitled to, they run the risk of having no jobs. Cases of ordinary workers who have no way of upholding their rights are running into thousands.

An article in yesterday's *The West Australian* demonstrates clearly the difficulties people have in trying to uphold any form of employment rights under this Government and its laws that were implemented to diminish the ability of unions to help people. Further, if someone does not belong to a union and seeks assistance from the Department of Productivity and Labour Relations to have the laws of this State upheld, they get next to no help. That is not a criticism of individual officers because many good officers do their best. However, given the limited resources and the policy established by the Minister for Labour Relations, DOPLAR does not have the power or the resources to help people.

I intend to cite in this place case after case of people who have been clearly underpaid thousands of dollars in wages, who do not belong to unions and who have gone to DOPLAR and received little or no assistance. Following several telephone calls or one or two visits to the department they have been given standard letters. DOPLAR is very hesitant to challenge bad employers. Where does that leave the employee? The worker is left with no support. She must either accept the situation where illegal activity continues in the workplace or be thrown out of her job. That is happening to thousands of ordinary Western Australians. It is one of the reasons the level of wages in this State is falling when compared with the rest of Australia.

Again, I seek leave of the House to incorporate in *Hansard* some tables reflecting the movement of mean weekly earnings, derived from Australian Bureau of Statistics' figures.

The DEPUTY SPEAKER: Are they the member's figures.

Mr KOBELKE: It is a chart I have compiled, using figures from the Australian Bureau of Statistics in its bulletin on mean weekly wages for Western Australia and the nation.

[The material in appendix A was incorporated by leave of the House.]

[See page 3112.]

Mr KOBELKE: I will try to give a clear picture of the information reflected in the graphs in the incorporated material. The mean weekly earnings are an accepted measure of people's earnings. I accept it as a reasonable measure of the level of remuneration to working men and women in Western Australia and across Australia. The average weekly wage always increases, as a result of inflation, improvement and some growth. The Government can point out that the average weekly wage is always increasing. I am suggesting that a comparison should be made between the figures under the stewardship of this Government and the figures in the nation as a whole.

The graphs indicate where the Western Australian average weekly wages are as a percentage above or below the national figure for the same month in the same year. Some very interesting graphs arise from that. The first graph is a comparison between the average weekly wage in Western Australia and the national mean weekly earnings for all employed persons. The total earnings for all workers and for full time employees in Western Australia are better than those in the rest of Australia. That has been the case since 1988. It has dipped a little in recent years but not by very much. However, for part time employees there is a marked downturn. It is even more interesting to look at the separate figures for the average weekly earnings for males and females.

I will describe what has happened to the mean weekly earnings for males in Western Australia in comparison with the national wage. Between 1988 and 1997 the earnings for male employees in Western Australia tended to be 5 per cent higher than the national figures. They still are. However, men in part time jobs, who work less than 35 hours a week, earn 15 per cent below the national average weekly earnings. I suppose it is just a coincidence that the 15 per cent is also the level by which the Western Australian workplace agreements minimum wage is below the federal award minimum wage. I am not saying there is a connection. It could be purely coincidental.

The comparative earnings of female workers are not surprising, because we are aware of this from anecdotal evidence. That third graph indicates very clearly what has happened to female weekly earnings since the implementation of this Government's policy on wages and employment. From 1988 to 1994, in general, women's earnings were roughly 4 to 6 per cent below the national mean average wage. People who take an interest in these matters have known for some years that women in Western Australia have on average received lower wages than the national figure. Since 1994, and the implementation of this Government's policies, women are now earning 10 per cent below the national average weekly earnings. They are now 10 per cent worse off, rather than 4 to 6 per cent

worse off. Those who work full time earn 8 per cent less than the national average earnings. Where is the social dividend? Clearly the level of wages in this State do not provide a social dividend.

The average weekly earnings in this State under this Government have gone substantially backwards in comparison with national average weekly earnings. That is quite clear. I hope members will look at the graph, where they will see that since 1994, under this Government it has been all downhill. Workplace agreements provide for a minimum wage 15 per cent below the federal award rate, and men in part time employment on average earn 15 per cent below the national average wage. Women, whether employed part time or full time, earn between 8 and 10 per cent below the national average wage. It is an appalling indictment of this Government and its policies. This Government has been in office at a time of good economic growth. It claims to have introduced better management and re-arrangements that will provide extra benefits to the people of this State. No extra benefits have been forthcoming; instead, wages are lower, taxes are higher and the level of government services has reduced. Under the stewardship of this Government, this State has mainly suffered losses and made very few gains.

I now give an example of why people feel insecure in their jobs and why they find it extremely difficult, if not impossible, to uphold their rights under the Court Government's industrial relations legislation. Mr Andrew Fox was employed on a Western Australian workplace agreement at a mine in Meekatharra on a fly in, fly out basis, and the cost of his travel each fortnight or three weeks was paid by the company. A change of management took place and the terms of the workplace agreement were altered, without any consultation with the people concerned. The employees were told that the company wanted to save money and they had to find their own way between Meekatharra and Perth.

Mr Bloffwitch: Did a new company take over?

Mr KOBELKE: No, it was a change of management. It does not matter because the workplace agreement is still in place. Workers must go through a number of procedures laid down in the workplace agreement if they want to uphold their rights under that agreement. They cannot go to the Industrial Relations Commission but must go through the court system, which is expensive and much more difficult to deal with. Among the employees only Mr Fox tried to uphold his conditions of employment under the workplace agreement.

Mr Bloffwitch: Are you saying the industrial court is not expensive?

Mr KOBELKE: It is, but it is much cheaper than the other courts. Mr Fox set about trying to uphold his rights. He went through the complaints mechanism and got nowhere. That having been done, it was a requirement under the workplace agreement that an arbitrator be appointed by the Industrial Relations Commission. The arbitrator agreed that the terms of the workplace agreement were in black and white, and the company had to pay the travelling costs. The company refused to do so. Mr Fox took the next step and went to the Industrial Magistrate's Court which, again, found that the company was required to pay those travelling costs. However, the company was told to pay Mr Fox only for the two trips he had taken during the time of disputation. It was not ordered to pay for further trips. No penalty was applied. Therefore, the next time Mr Fox wants the benefit of reimbursement for his fly in, fly out costs, he must go through the whole procedure again. When he went back to the workplace he was dismissed. If he had not been dismissed, it would have been necessary for him to return to court every time he wished to uphold his rights under a workplace agreement. He was dismissed, and the court found that he was dismissed unfairly. Without going through the court procedures, he was required to go to the federal court, to employ a lawyer and to take the risk, if he lost his case, of being out of pocket, not only for wages forgone amounting to thousands of dollars, but also for the legal costs which could also amount to thousands of dollars. Because his case appeared to be so black and white, the federal court in its determination not only found in his favour but also did so in a somewhat decisive way.

The court determined that he would receive \$5 000 in lieu of the time within which he should have been given notice, and \$28 000 which would represent his loss - I think the maximum would be about \$32 000; and the court judged it to be an extreme case and he should receive a penalty of \$10 000. I am advised that penalties under the Act are not applied very often. Therefore, it appears it was an extreme case in which the court determined totally in favour of Mr Fox against his employer.

Members should consider what this man went through, and keep in mind that the 25-odd workers who also complained decided to keep their jobs. They would take the drop in conditions, live with the breach of the law and not pursue the matter. Those workers did not uphold their rights, because they realised the difficulties and the potential dangers they may face. Only Mr Fox was willing to stand up for his rights, having been sacked; and he received a determination from the federal court in his favour.

I note from yesterday's newspaper that the company has taken him back to court on appeal. He must now employ lawyers and pay the ongoing costs. When all the workers at Meekatharra are made aware of this situation, and other people who read newspapers know what happens to someone who stands up for his rights, how many people will do

the same? How many people will try to uphold their conditions of employment when they are set upon by an employer who is flouting the law? There would be very few. That will lead to a continuing drop in the level of remuneration and conditions of work of ordinary Western Australians. Workers cannot uphold their rights. They come to my office on a daily basis, and tell me that they are not paid proper wages. They say they go to the Department of Productivity and Labour Relations and receive inadequate or little assistance. In the main, these people do not belong to unions.

I hear of cases where unions take up a matter and have some success in ensuring that people are paid proper wages. However, this Government is all about nobbling unions, and trying to make sure they cannot work effectively. Again, that undermines the ability of ordinary workers to obtain the justice to which they are entitled under our legal system. This Government does not want people to have the ability to do that. It talks about the benefits of economic growth but does everything it can to suppress working conditions and the level of wages. I have not plucked that statement out of the air. I have presented figures from the Australian Bureau of Statistics and the federal industrial relations system which indicate that since 1994 there has been a marked reduction in the level of wages paid to many Western Australians. Many Western Australians find themselves worse off under this Government.

Where is the social dividend? It does not exist. This Government has not done as well as Labor did in its first five years in its attempt to create jobs. Its job creation is much more tilted towards part time jobs - insecure jobs; and its industrial relations policy has driven down the relative value of wages in this State. Since this Government's industrial relations policy came into effect, on average, males working part time are underpaid by 15 per cent compared with the national figure. Women working part time are paid 10 per cent below the national wage figures, and women working full time are paid 8 per cent below the average weekly wage for women across Australia. People on a workplace agreement are \$55.15 a week worse off compared with workers on a federal award.

The Government cannot deny the facts. It tries to, but the facts are obvious, and the Opposition will continue to promote them. The Government has not provided a social dividend. We see no proper management by this Government. It has wasted taxpayers' money at a time when there should have been hundreds of millions of dollars, as it claimed, from its changes to help ordinary families, to ensure the level of services in health, personal safety through the Police Force, and education were improved, not diminished. The average Western Australian family is paying an extra \$300 to \$400 in taxes and charges, has a relatively lower level of wages, and receives a lower level of services under the Court Government. The Government is incapable of turning around that situation.

The Government has not addressed the real issues. It has not been willing to look after people. It is cocooned in its own unreal world in the western suburbs. It has no understanding of the needs of ordinary Western Australians. Their suffering will build to a crescendo which will lead to the defeat of this Government.

DR CONSTABLE (Churchlands) [4.56 pm]: I begin my comments, which I hope will be fairly brief, with a general comment about the budget papers. This has become a bit of a game - this is the seventh time I have been involved in this process - because each year the Budget Statements change. Those of us who want to read them, glean some information from them and perhaps ask some questions at the Estimates Committees, but find no continuity from one year to the next. It is about time that the reporting of agencies and departments was improved in the Program Statements - not only for members but also for the general public to make sense from them. One year we will have a list of glowing planned achievements for the next year, but there is no mention of the progress made on those achievements the following year. I would like to see some improvement in that reporting. Perhaps it is all part of the game to keep us guessing, and to see if we can be on our toes to ask questions.

Many people have commented on a glaring change this year. I feel obliged to comment on it as well. I refer to the reporting of FTEs. We must go to a footnote for each agency or department to find the total FTEs for a department. This is an important piece of information in the budget papers, and I would like to see it returned to the detail that we received in past years.

I comment now on two or three items of the Budget that particularly affect my electorate. The first relates to an item of \$5m for Bold Park. I congratulate the Government on its initiatives for Bold Park. On the Notice Paper we have the Botanic Gardens and Parks Authority Bill which has been second read and which I imagine will be debated in the next few weeks. That legislation will bring Bold Park under the umbrella of a new authority which will include Kings Park. The larger slice of Bold Park is in the seat of Cottesloe, but part of it is on the southern boundary of my electorate. That part was under some consideration to not be included in the park but has been. It includes City Beach Senior High School, the swimming pool, and some very important areas of urban bushland. The \$5m will be well spent on rehabilitating areas. There is a lot of weed and self-sowing grass in Bold Park, and I hope in the next few years we will see major developments there. I notice much enthusiasm among the Kings Park people to take on the challenge of Bold Park. It is already a major resource, but with this injection of money it will continue to be a major tourist and environmental resource for this State.

Wembley Primary School has been allocated a capital grant of \$750 000. The school is now 62 years old, after celebrating its 60th anniversary in 1996. The main building requires a huge injection of capital to bring it up to scratch as a school for the late 1990s and into the next century. The new works, additions and improvements to the school will go a long way towards replacing some classrooms and easing the pressure on the already existing school classrooms. The Minister and I visited the school last year to look at the overcrowding and we saw some excellent things happening in the classrooms. However, children were being taught on closed-in verandahs, the library was taking up the space of classrooms, the administration or staff facilities were not particularly attractive, and the toilets in the school were quite clearly 62 years old and needed replacing.

I thank the Minister for taking the time to look at the school, to talk to the P & C association and to recognise the needs of Wembley Primary School. It is an excellent school. It is interesting to note that school enrolments have increased dramatically over recent years and is now just a few children under 500 - no wonder it is bursting at the seams. This increase in enrolments in the past few years reflects the changing demographic nature of the area, with many older people moving out, a lot of urban infill, and many young families moving back into the area because of not only Wembley Primary School, but also other schools. Many people who lived in the area as youngsters and attended the school are choosing to move back into the Wembley area so that their children can attend the same school as did at least one of their parents. This provides a great sense of community to the Wembley Primary School and means that there is a very energetic and supportive P & C association. I congratulate the P & C association, which has worked extremely hard over the past few years to draw up plans and write submissions to ensure that this large capital grant is approved and is in this Budget. There are some very happy teachers, a very happy principal and parents who are eager to get on with the planning for this new building at Wembley.

The other school in my electorate that has benefited to some extent from the Budget is Churchlands Senior High School. One of the items mentioned in the Budget last year was for works of \$1.5m, and some of that work is in progress now, and also new works of almost \$4m which relates to the dreadful fire that occurred at Churchlands Senior High School last year. A large number of classrooms were destroyed and teachers' work over many years was destroyed in the departmental staffrooms. It is out of this adversity that good things have come. It is taking a lot longer than originally anticipated to plan the rebuilding of the school and there is a very important reason for that: This school is part of the local area education planning in the western suburbs, and in considering the rebuilding of the school, the committee had a choice of recommending the rebuilding of the existing building - part of the building could have been saved - or to take a bit longer with the planning, go through the local area planning process and see whether the school could be redesigned and rebuilt to more of a late 1990s design; to turn what was a 1960s school into a modern school for the coming decades. The school made the second of those choices. While the fire damaged area of the buildings have been cleared away, the rebuilding has not begun, but the planning has begun in earnest. In addition to the \$1.5m that was already allocated for work in the school before the fire occurred, \$3.999m - which I will call \$4m - has been allocated for rebuilding purposes. With money that will come from the local area planning process, we hope that this school will become a modern school for the next century. Once again, I congratulate the P & C association. Last year it worked incredibly hard to raise money. It has raised \$100 000 which will go towards the refurbishing and replacement of some of the facilities.

Mr Marlborough: You can buy a new school for that in Kwinana.

Dr CONSTABLE: It would be interesting to see the school the member could build for \$100 000. The P & C association worked very hard to raise that money and it was supported in the most extraordinary way by many P & C associations around the State which, without being asked, sent money or held fundraisings to assist in repairing the fire damage. It is a superb example of the sense of community that surrounds not only the Churchlands Senior High School, but also schools throughout the State when other P & C associations which work hard to support their own schools are prepared to raise money for a school in need.

Again, I thank the Minister for his support. He has taken time to be involved in meetings and visit the school, and is well aware that this is taking longer than expected, but the end result will be excellent. I spoke to a number of students during the summer about the presence of a large number of demountables in the school during this period. They said they were not concerned about that because the demountables were air conditioned. When the students move back into the new buildings, we hope next year, on the hot days some of the students will say that they prefer the demountables.

The subject of local area planning leads to the question of school closures and amalgamations. I remind the House that yesterday I presented a petition containing 2 999 signatures which related to the possible closure of City Beach Senior High School. That number of signatures reflects the very strong feelings in the community about this excellent school. It is located in Bold Park on an amazingly great site for a school - close to the ocean and in a beautiful environmental area. The history of the school is that when this area was being developed, the Perth City Council sold a number of sites to the Education Department for \$1. It would be a crime for the Education Department to redevelop

that site which was given in good faith by the City of Perth for a high school in the area. It is central to the community and there is an excellent quality of education at the school. The school has been under pressure for at least 10 years because of the dwindling enrolments, but enrolments in recent years have been increasing and all but a small number of children who attend that school are within the boundaries. The school has had to deal with the Better Schools program, school rationalisation and now local area education planning. This has sapped the energies of parents and staff, but they have fought very hard to keep that school going and that is exactly what they have done. Enormous support is coming from local primary schools with growing numbers of children whose parents wish them to attend City Beach Senior High School. There is also enormous general support from the community.

One of the policies of the coalition party when it came to government in 1993 was to set up three ecotechnology or environmental science schools. I have always maintained that City Beach Senior High School would be an ideal location for one of those environmental science schools.

Mr Pandal: It was a very good set of promises.

Dr CONSTABLE: I agree with the member for South Perth. It has been a great disappointment to me that the Government has not fulfilled that policy. It has a great opportunity now while looking at the schools in the western suburbs to do this at City Beach Senior High School. With the new park authority, which will have Bold Park under its umbrella, there is an opportunity to develop a centre for ecotechnology which would be of benefit not just to local schools, but also to schools throughout the State which could use it for excursions and student development.

There is a problem in the western suburb with the number of small schools, with the age of the school plant and the need to do something about that. I do not think closing down a number of schools is the answer. I have already said that the vast majority of students who attend City Beach Senior High School live in the area. That is not the case with Scarborough Senior High School and Swanbourne Senior High School where many of the students come from out of the area. The main group that comes from out of the area of City Beach Senior High School comprises a small number of youngsters who are part of the Western Australia Institute of Sport elite athletes' program. Over the past few years an excellent relationship has formed between WAIS and the school so that these youngsters who are involved in gymnastics, swimming and other sports can attend City Beach Senior High School and be very close to where they do their training, often morning and night.

One of the disadvantages the school has had to put up with over the past few years is the lack of opportunities provided by the Education Department. When the school has asked to be involved in special programs, it has been overlooked. This has made it much harder for the school to survive; however, it is surviving with its numbers increasing all the time. The quality of the education in the school and other extra curricula activities has been recognised by the increased enrolments. It is also important to take note of the demographic changes in the area. That will mean a flow-on from primary schools into the high school over the next few years with increased numbers. In my view City Beach Senior High School deserves to remain open with the support of the department.

Mr Marlborough: And the support of the local member.

Dr CONSTABLE: It certainly has that. It should have a bright and long future, provided the Education Department is prepared to support the school positively over the next few years and help in its development, particularly in the environmental science area. This brings me to the subject of school size which is part of the discussion in the local area planning meetings about development. Over the past few months a view seems to have emanated from the Education Department that upper schools, for years 11 and 12, ideally should number between 500 and 700 students to offer a full range of subjects and other programs.

I have done some research into this matter. It is interesting to note that, on average, Australian secondary schools across the nation have about 750 students. They are much smaller than the department is advocating. Twenty-five per cent of Australian secondary schools have fewer than 400 students; that is, many of the schools are very small. About 25 per cent have more than 900 student; 5 per cent of the secondary schools across the nation have fewer than 150 students; and 5 per cent enrol more than 1 200 students. Very large schools are not the norm in Australia, yet this is being advocated within certain circles in the department.

In answers to questions I have put on the notice paper, I have discovered that only two non-government secondary schools in Western Australia have years 11 and 12 with more than 400 students. The non-government schools see as ideal for their upper schools to have fewer than 400 students. A lesson can be learned from this, given the academic success of these non-government schools. The policy on school size and upper school size definitely must be questioned. The policy is usually couched in terms of improved quality and better offerings at the school, but this is not borne out in the research that I have found.

It seems to me that the underlying objective of this policy is to reduce recurrent costs, and is based on finances, rather than quality of education. In April this year I placed a question on the notice paper about government upper schools.

There are 84 senior high schools in Western Australia, of which only 13 have more than 400 students. The bulk of them have between 200 and 400 students. The only argument the department raises is one of economies of scale and saving money, rather than the prime purpose of the quality of education.

I did a quick calculation yesterday. If we want to achieve the objective of having upper schools with between 500 and 700 students, we will have to close about half of the existing senior high schools. Of course, that is patently absurd. It would seem that that argument is being used in certain metropolitan areas, rather across the board. It is argued that we will get greater choices in subjects and programs in larger schools than we will in smaller schools. According to my research, the effect of larger schools in this regard is only marginal. It is also viewed that the schools would have more resources, more specialist staff, more facilities and greater staff flexibility than would be the case in smaller schools. That may be so. It is also claimed that there would be wider parental involvement, but I am not sure that is the case.

In an article in *The West Australian* of 16 April, the Director General of Education, Cheryl Vardon, expressed the point of view that larger schools had greater resources and more staff to offer pastoral care to students at risk. It is my experience that might be the case, but we usually end up with much larger groups of kids in much larger schools, so it is much harder to give quality pastoral care. That is a bit of a furphy on her part. It is very unlikely that pastoral care could be improved in larger schools. Research points out that students in larger schools are more likely to get lost in the school system and be less involved in school activities. The same article in *The West Australian* of 16 April states -

David Indemauro, research fellow at the University of WA's crime research centre, said smaller schools, such as those under threat in the western suburbs, helped build a sense of community and fostered pro-social attitudes. They were also better able to identify students at risk of criminality.

Students at risk with learning problems in many areas can be identified more easily and quickly in smaller schools. It is just as easy to establish programs in small schools to help those students as it is in larger schools, and in many cases perhaps easier. Research has found that larger schools will produce an overall benefit only if they impact in some positive way on students. Professor Jack Campbell from the University of Queensland reported in his research in the "Journal of Educational Administration" that when more or better resources are dependent on increases in enrolment, they are more than discounted by lower involvement on the part of pupils. In his research he has found that if we have more resources and more students, those students are less likely to be involved in the activities of the school. He wrote another article entitled "Small is Beautiful", in which he states -

Better resources and facilities lead to better educational experiences only when they actually impinge upon the pupils, and all of the research evidence on school size suggests that higher density generates lower involvement on the part of the pupils despite the resources made available.

Campbell concluded the article by writing that the industrial arguments of scale still dominate educational thinking in this matter. Big schools provide better resources; better resources mean better experiences for pupils. He says that neither of these arguments is sustainable. Research does not support the view that is coming out of the Education Department that we need larger upper schools. Campbell also questioned the assumption that bigger schools offered better things. He argued that school offerings are not radically different between large and small schools. It all comes down to a question of cost saving. One would have to agree that in general larger schools are less expensive to run per student. However, research has also shown that if schools exceed a size of about 800 students, then the cost savings and curricula benefits are very small. Schools of around 800, 900 or maybe 1 000 students are perhaps the ideal size, rather than schools up to 1 500 or 1 800. It is important to look not only at finances but also the effect school size has on outcomes.

If we look at schools in the late 1990s, we see the burden on teachers and schools which face all sorts of social effects and problems, such as drugs and broken families, and the increasing rate of youth suicide. In that situation smaller schools are more likely to provide students at risk with what they need. There is increasing pressure on schools. We do not need to add to it by increasing the size of schools. Large schools are inconsistent with the provision of schools throughout Australia; with the needs of children; with the research data; with the most successful schools we have; and with the needs of young people in the late 1990s.

I shall touch briefly on problems in the health care system and make some comments on waiting lists. These are one of the key indicators that things are not going well in the health system. I have a chart which shows the most recent data on waiting lists in the major hospitals in the metropolitan area. At Royal Perth Hospital the waiting list for ear, nose and throat surgery is almost 12 months. It is the same in Fremantle Hospital; much lower in Princess Margaret Hospital for Children at 2.2 months; but at Sir Charles Gairdner Hospital it is almost six months. I do not need to repeat this, but one can go down the list and find examples of long waiting lists in almost every area. They exacerbate people's suffering and cause a great deal of trauma to many people.

I shall refer to some answers I received yesterday to questions on notice to the Minister. In relation to Sir Charles Gairdner, Fremantle and Royal Perth Hospitals I asked for the average waiting time for an appointment for an initial consultation at the outpatients' departments. I would like to read into *Hansard* a few examples to illustrate that there is a waiting list for the waiting list. At Sir Charles Gairdner Hospital the waiting list for cardiology is 19 weeks - almost five months - for an appointment to be assessed to see whether someone needs procedural surgery. This is a disgraceful amount of time for anyone to have to wait. At Sir Charles Gairdner Hospital the waiting list for an appointment for ear, nose and throat is over two months. Once someone is assessed and it is determined that he needs surgery, he will wait almost six months for it. That increases the waiting time for a person who needs medical treatment. At Sir Charles Gairdner Hospital the waiting list for orthopaedics is almost 10 weeks for an appointment and then over seven months for surgery, if patients require it. Fremantle Hospital distinguishes appointments in orthopaedics between upper limbs and lower limbs. If we take the lower limb case, let us imagine an elderly woman who has problems with her hip and maybe requires a hip replacement. She would have to wait 18 weeks for an appointment. She would then have to go through an assessment period and wait almost 12 months for surgery. She would not be on a waiting list for merely 12 months, but for perhaps 18 months from the time of her first appointment until she is able to have the surgery. That is far too long for anyone to wait for surgery of that kind.

Another staggering example is at Royal Perth Hospital. It has urgent and routine appointments. Someone with an urgent need to see a urologist would wait six to eight weeks for an appointment. If one requires surgery after that, it will be another two and a half or three months before surgery is available.

The whole point is that the waiting lists routinely given to us by the Health Department are not the true story. The true story includes the waiting time for an appointment and the time it takes for X-rays or whatever other tests need to be done before anyone goes onto a waiting list for surgery. In the future we really need the waiting list for the waiting list, to see if appointment times can be improved for people who need attention at our public hospitals.

I would like to conclude by saying once again how pleased I am that the Churchlands electorate has benefited in two areas in the Budget. One is the budget for Bold Park and the other is in the budget for schools, particularly the Wembley Primary School, which desperately needs an injection of capital funding, which at last it will receive.

MR MARLBOROUGH (Peel) [5.28 pm]: On 30 April when the Premier delivered this Budget, which is the fifth of this Government, he said in his opening paragraph that the best social dividend that any Government can deliver is to make sure that future generations are not burdened by excessive levels of debt and at the same time that service delivery is improved. Since that speech, we have heard speech after speech clearly indicating that not only are those promises false, but also the Budget itself indicates that they cannot be nor are they intended to be met. By any measure, when one looks at how one judges a community and its wealth, whether it be health, education, law and order, the excessive costs of utilities, the excessive increases in the cost of transport, the massive 50 per cent blow-out in waiting lists for hospitals, where we have over 14 000 people waiting to get into hospitals for care, or whatever other measure, one sees no social dividend coming out of this Budget to this community. Not only is there no social dividend coming out of this Budget, but also I suggest for at least the next four years all of the indicators show that we are heading for an even deeper crisis than we are presently facing. The Government has its priorities wrong and does not care about the needs of the community, particularly of the elderly and the poor, and shows no initiative or ambition to want to rectify the problems and by so doing it plays a key role in exacerbating our lack of social dividend.

I use the Government's own documents on the Budget to indicate where the Budget has a major structural leak. For many years in this State we have been convinced that the lucky position we hold in this great nation with our mineral wealth not only provides the export dollars that we need but, in doing so, provides much needed job opportunities. On the Government's own figures in Budget Paper No 3, although there may be some future projects in the pipeline, most of the indicators now show that the export ability of that resource industry sector will not improve in the next four years. I suggest that will result in a rapid downturn in the economy and job opportunities that flow from that industry.

Government members stand up and talk about the hundreds of millions of dollars that go into new projects in this State. Unfortunately in the resource industry in this State, although the expenditure of that money at the end of the day may create a new mine or a new gas field, it does not equate to many new jobs in Western Australia other than in the construction phase. Job opportunities peak for a fairly short period of time until the construction phase is completed. However, when we look at the overall direction industry must go in this State, we see that generally there has been real job loss in the resource industry over the past 10 or 15 years. This is nowhere better demonstrated than in my electorate of Peel, if one looks along the Kwinana strip today. I think it is fair to say that the size of the work force in 1998 is one-third of the work force employed in those industries in 1988 when I was elected. That does not mean that they are any less important to the economy of this State. What it does say is that the ability to provide direct job opportunities commensurate with the funds invested in projects has diminished considerably.

My concern is that when one looks at Budget Paper No 3 headed, "Economic and Fiscal Overview", one begins to see within that document much of the promises announced by the Premier will be based on very weak foundations. It does not matter what economic indicator one turns to, there is evidence to be found of it. I direct the House, for example, to a graph on page 22 of that document which indicates the measure of consumer durables and housing activity. This shows that in December 1997 not only are we coming out of a major slump from last year but there is no evidence to show within this document that that is going to change. The annual average growth peaked at 40 per cent in the 1992-93 Budget. We had a negative growth in 1995 and we are now at 12 per cent of growth in consumer durables and housing activity in 1997 with no projected growth to improve those figures beyond the year 2002.

Mr Grill: That has actually come back this year.

Mr MARLBOROUGH: It has come back slightly this year. It was at minus growth in 1995. There has been a steady increase from 1995 to approximately 12 per cent. However, the indicators are that that cannot continue.

If we look at dwelling commencements, we see a disastrous picture. Suffice it to say that we now have less than 5 per cent growth in dwelling commencements in this State compared to the 1991-92 period of about 10 per cent growth and, of course, in 1997 up to 15 per cent growth. Therefore, at a local level the growth factor simply is not there on major consumer indicators. In other words, that directly reflects on the Government's ability to raise money from those areas through the normal taxation regime. I suggest that is why we have seen the recent impost by the Government on the purchasing and selling of houses in this State because there is no longer the growth figures that were there in the 1980s and early 1990s. Under this Government both the consumer durables - that is, the purchasing of white goods and furnishings within one's house and general housing activities - and dwelling commencements have declined rapidly. Therefore, there is less income from there.

The same figures apply to all of the other dwelling investment areas. The projection in annual growth for dwelling investments on page 24 of this document, for example, shows a decline after this year. That tells us that there will be hardly any jobs of any significance in the construction industry. According to the economic experts who put this document together, there is not planned to be any major development along St George's Terrace or within the central business district in the next four or five years. That means the construction industry is going to be in crisis. We have not seen cranes on the horizon in Perth for the past four or five years.

On page 25 of the document under the heading "Business investment" for the first time this starts to show a major fault in the structure of this Budget in the premise that this Budget, or any future Budget, can deliver the social dividend that we have heard about from the Premier. It says this under the heading of "Business investment" -

Business investment is forecast to grow by 8.25 per cent in 1998-99. This will contribute 1.25 percentage points to economic growth over the year and follows growth of 13.5 per cent in 1997-98.

In the present financial year, 1997-98, we had a growth of 13.5 per cent. Next year's business investment is predicted at 8.25 per cent. That is approximately a 37 per cent decline in business investment in this State. These signs do not convince us that this Budget, or any future Budget, is going to be able to grow in order to deliver the services needed by the people of this State in their demands of the Government of those things that result from a social dividend.

The Premier talked about new projects on the horizon. However, as I indicated, Budget Paper No 3 refers to a decline in business investment from 13.5 per cent this year to 8.25 per cent next year. The graphs show that that investment is not expected to improve for the next four years. It goes on to say that business investment in Western Australia is dominated by expenditure on plant and equipment. That goes to the point I made earlier that most of our business investment is in the resources industry. It comprises fairly large one-off projects. Jobs are available during construction but they diminish once that initial investment has occurred. The bulk of this 8.25 per cent per annum will still be based on the ability of the resource sector to grow.

In the light of those economic forecasts, where do we then as a state find the opportunities to grow within what I am suggesting are some very serious concerns in these budget projections? We must examine the lack of growth and the lack of investment that will occur in those areas - according to these documents - and consider what resources are available and how they will be positioned to earn us income from exports in the coming years.

According to the graph at page 34, annual growth in Western Australian exports for the next four years - until the end of 2002 - will decline below this year's level. It indicates an annual growth of approximately 7.25 per cent in 1997-98, but projects a growth of only 4.75 per cent for 1998-99. The deputy leader of the Liberal Party must agree that that is a dramatic decline. Once again, we are talking about export growth declining by approximately 35 per cent in the next financial year alone. The most frightening part of the picture painted by the figures in this budget paper is that no significant growth will occur over the next four years, certainly nowhere near as high as the present figure of 7.25 per cent.

Mr Barnett: I have not looked at those figures, but they are suggesting a slower rate of growth, aren't they?

Mr MARLBOROUGH: An annual growth rate that is 35 per cent slower. It is the Minister's document.

Mr Barnett: It is not my document. Exports from this State will continue to grow strongly, but there might be a slight pause.

Mr MARLBOROUGH: I would be happy to be convinced of a slight pause.

Mr Barnett: Seventy-two per cent of our exports are mining and petroleum products. Based on just the current projects under construction, there can be no alternative but a strong rise in exports over the next two years.

Mr MARLBOROUGH: If that is fact, what other exports have grown significantly in the past 10 years? Again the Government's figures here show that the share of total exports in the major Western Australian export areas has declined in the past 10 years. It shows they will continue to do so. I refer to the graph at page 36 of this budget paper. In 1987-88, of the total export share, diamonds and pearls were exporting more dollars than they are today. The export share for mineral sands is about the same this year as it was in 1987-88. There has been no great increase in the export value of those commodities in the past 10 years. The share of total exports of elaborately transformed manufactures has doubled. Nickel as a share of total exports has declined in the past 10 years. There has been a dramatic decline in wool to the tune of 500 per cent in the past 10 years. The share of wheat exports has declined by about 20 per cent. Liquid natural gas is another area of growth; its share of the export market has doubled in the past 10 years.

Mr Barnett: It is almost frustrating listening to you. If an economy is growing because every segment is growing and there are more components in the total, the relative share of each, almost by definition, will fall. That does not mean that the absolute size will not increase.

Mr MARLBOROUGH: I understand that. That is why I asked the Minister to tell me where the growth has taken place. I would like him to name the commodities. Light shipping is one.

Mr Barnett: Petroleum, iron ore.

Mr MARLBOROUGH: Petroleum is listed. I am coming to that.

Mr Barnett: I'll bet you were not good at maths at school.

Mr MARLBOROUGH: In all the key areas such as alumina there is a decline in share of total exports.

Mr Barnett: It has gone up.

Mr MARLBOROUGH: It has not gone up; it has declined.

Mr Barnett: As a share in a growing economy. The member for Eyre is quantitatively stronger than you.

Mr MARLBOROUGH: That may well be. Iron ore has declined in those terms and a significant increase has occurred in the share of total exports of gold. I am not suggesting the Minister is incorrect in talking about those market shares being part of the total picture; I am asking where are the other parts of that picture. I am suggesting that they are a significant part of the existing picture and it is not healthy in the light of what is exported from this State and the situation in Asia, the destination for most of these exports.

I am asking the Minister to tell me the other exports that would make a significant difference to this cake. Other than light shipping, there are not many.

Mr Barnett: You mentioned some commodities. I will talk about mining and petroleum. In 1992-93 that sector was worth \$7b and it is now worth \$12b - almost a 45 per cent increase in five years. That is hardly a shrinking economy.

Mr MARLBOROUGH: The graph shows that. I am suggesting that indications are that nearly all the other commodities do not play the role. If the Minister's argument stands; that is, that they are now simply part of a larger cake of exports, what are they? I am willing to listen. There are hardly any other parts to the cake.

The document is clear. Based on any measure of the strength of our economy in the present world market place they are not good signs. There is an underlying weakness in that assumption about how we will grow.

I turn now to what I believe is the Government's incorrect assessment of the present situation in Asia. In case the deputy leader of the Liberal Party thinks I am on the wrong track again, I draw his attention to Budget Paper No 3, which states at page 44 -

The main risk to the Western Australian economic outlook, is the uncertainty associated with Japan and the

East Asian economies. Although the worst appears to be over for the East Asian economies, the extent to which they are able to rebuild confidence and investment will depend upon the relevant governments' willingness to undertake the necessary structural reforms and the time taken for the structural adjustments to work through the economies.

That document points out that what is happening in the Asian economies today is very much an unknown. Therefore, when the Government predicts growth in these areas, it should put it in the context of the advice that it is receiving from its own budget papers and not simply try to paint a political picture that looks nice but ignores some of that advice. That document states at page 45 -

While this scenario appears reasonable at this stage, there are remaining uncertainties that have the potential to affect the outlook for Asia and to lead to lower investment and export growth in Western Australia than currently forecast.

That is the very point I am trying to make. That budget document is saying to the people of Western Australia that the growth that we have experienced in the past will not be experienced in the future. The document also refers to the problems that exist in China.

Mr Barnett: Asia obviously is very important to us, but I have never been infatuated by Asia's growth rates for the simple reason that even prior to this crisis, if you added up the economies of Indonesia, Singapore, Malaysia and the Philippines, and perhaps even threw in Thailand, you would have an economy that was about as big as Australia's economy. We consistently underestimate the size of the Australian economy by getting carried away with high growth rates for what are quite tiny economies. Even if we compared Western Australia with Singapore we would get an interesting result.

Mr MARLBOROUGH: In that budget paper, under the heading "Risks to the Outlook" at page 44, the economic experts concentrate entirely on the situation in Asia and the effect that may have on this State. The first risk is that China may experience similar financial problems to those being experienced in other parts of East Asia, and the paper outlines the problems with the Chinese economy and their likely effect on Western Australia.

The second risk is that the premium attached to loans for investments in Asia will be prohibitively high and this will stifle the recovery in the region. A debate is occurring in the media at the moment about the involvement of the World Bank in trying to put in place financial schemes. With regard to the role of the World Bank in Indonesia, I support those people far more expert than I who say that the changes that are being demanded by the World Bank in Indonesia are far too severe and that we will continue to have problems in that area if we expect a nation to change as rapidly as is required by the World Bank. The Minister tries to downplay the role of Asia on our economy -

Mr Barnett: I do not downplay it, but I do not exaggerate it either. There is a difference.

Mr MARLBOROUGH: I am quoting from the Minister's document.

Mr Barnett: I did not write it.

Mr MARLBOROUGH: I am not suggesting the Minister wrote it. It states that the third and most significant risk is the continued morbidity of the Japanese economy.

Mr Barnett: Morbidity? Is that in that document?

Mr MARLBOROUGH: Yes. It states that Japan, which is a big player in our marketplace, is experiencing difficult economic times, and it devotes three paragraphs to outlining the effect that will have on Western Australia. It states also -

A fall in the absolute level of economic activity, and more particularly in industrial production in Japan, however, could have significant adverse ramifications for the Western Australian economy . . .

The Treasurer talks about the need to have a budget that is in surplus, and at the same time he says that service delivery has been improved. That is nonsense. Service delivery has not been improved by any measure. The Treasurer says to the people of Western Australia, "Trust me. All the indicators are headed in the right direction, and show continued growth". The indicators in the budget papers do not show that at all.

The impact of this Budget, when the future is unpredictable because of the Asian crisis, does not give me much joy as a person who represents the area of Kwinana-Rockingham. That area is suffering a great deal under this Government. One of the reasons it is suffering is that the Government is aware that because of the economic indicators that I have outlined to the House, it cannot continue to raise the revenues it has been able to raise in the past from the growth in the resource and housing sectors, and it has adopted the deliberate policy of raising revenue by increasing the taxes paid by householders.

As the Treasurer admitted last week, the average cost per household of the budget tax increases to licence fees, water and sewerage charges and education fees is close to \$300 per annum. One of the hidden parts of this agenda lies within the portfolio of the Minister for Education. Parents who have children at primary school currently pay about \$10 per annum on a voluntary basis. The Minister for Education intends to increase that to \$60 per annum. That will be a significant impost on parents.

Sitting suspended from 6.00 to 7.00 pm

Mr MARLBOROUGH: I take the opportunity to correct a position I put prior to the dinner break. By interjection, the deputy leader of the Liberal Party pointed out that I had incorrectly assessed the information at page 36 of Budget Paper No 3. I have looked at it more closely and I agree with him. I had assumed it was a global perspective of exports rather than the exports for Western Australia.

The point I clearly made, using that budget document as my source, is that there are a number of matters of concern. This document indicates that Western Australia has traditionally relied on the resources area to underpin its economy, but that the Government should not use that as a basis for any significant growth in the foreseeable future. It indicates through a number of graphs how that is not happening this year, compared to last year. Across the board there has been a 35 per cent downturn in exports, and the graphs indicate no foreseeable improvement in the next four years. It points to the problems in the resources industry, also on the basis of what is happening in Asia. The Government has been far too generous in predicting the State's growth, bearing in mind the situation in Asia. If I am right, there will be far more pressures on the Western Australian economy and, with the thinking of this Government, those pressures will go on the householders. On the basis of this document, I suggest there will be less revenue for the Government from exports, the traditional areas of resources, taxation, and housing construction, and the purchasing power of ordinary Western Australians. The Treasurer has admitted to a \$293 annual increase in expenditure for families, as a result of the increased taxes and charges in this State.

Mr Court: Over two years, and relative to the average earnings it has gone down.

Mr MARLBOROUGH: I am glad the Treasurer raised the issue of average earnings. One of the problems with average earnings is that the basic wage in this State is \$55 less than the basic wage in other States. This Government should be ashamed of that.

Mr Court: You are confusing the minimum wage.

Mr MARLBOROUGH: The Treasurer cannot have it both ways. He spoke about averages because he thought it suited his argument. The minimum wage is part of the averaging system, and the minimum wage in Western Australia is \$55 less than that of any other State in Australia. That lower figure has nothing to do with the extra impost on families of \$293 a year.

Mr Court: That is untrue. You are saying that a large number of people are on a minimum wage. That is not the case.

Mr MARLBOROUGH: There will be an opportunity at the Estimates Committee to discuss that.

Mr Court: You said our 5 per cent growth figure was optimistic.

Mr MARLBOROUGH: The Government's document indicates that it is optimistic. The Treasurer has referred to a figure of 5 per cent, but 15 pages of the document to which I have referred indicate that that estimate is way over the top. The document also explains why, in future, the Government should not look for that growth figure in the traditional areas. The problems in Asia stretch from China to Japan. This document, presumably written by Treasury officials, indicates there is no short term solution to the problem. The officers are so confident about their assessment of the Asian situation and the lack of investment by the business sector into Western Australian resources, that they are not predicting any significant growth in any of the measuring instruments used until 2002. They have not stopped at next year's Budget.

Mr Court: We export into export sectors of those economies. In the March quarter this year our exports were 10 per cent higher than for the March quarter last year. When things were starting to hit hard in Asia, we had a 10 per cent increase in exports.

Mr MARLBOROUGH: I refer the Treasurer to figure 13 on page 34 of Budget Paper No 3, which shows the annual growth in Western Australian exports. It indicates the opposite to what the Treasurer is saying. In 1997-98 the export growth figure was 7.25 per cent. This year it is forecast to ease back to 4.75 per cent.

Mr Court: I gave you the figures for the March quarter.

Mr MARLBOROUGH: These budget papers tell the people of Western Australia what to expect for at least the next 12 months. Treasury officials are so confident of their ability to predict budgets that in these graphs they predict what will happen to the year 2002. No growth is predicted. The 4.75 per cent growth in exports next year is not predicted to rise by 3 per cent the following year, and another 3 per cent the next year. The export figure is predicted to stay the same. If that is true, by the end of 2002 there will be a real decline in exports from this State. That is one part of the scenario. While we have been waiting for the social dividend other things have occurred in this State.

Mr Court: An interesting aspect is that our exports into markets such as the United Kingdom have grown strongly. In areas like alumina, Alcoa of Australia Ltd says that it cannot produce enough to export.

Mr MARLBOROUGH: Budget Paper No 3 spends no time on exports to the UK; it spends a lot of time on our export problems into Asia.

Other major elements have impacted on Western Australia. Under a Howard Federal Government in the past four years this State has experienced a \$778m reduction in funds from the Grants Commission. In that area alone Western Australia has been raped by the Federal Government. More recently a High Court decision inhibited the State from imposing taxes on alcohol, liquor and fuel. According to the budget papers that is a 20 per cent reduction in state taxes. What is hidden in this Budget is that the Government must find that money elsewhere. It is obvious from the figures on business and its ability to grow in the next four years that that area will not be affected. The Government will do two things: It will sell off assets and hit the pay as you earn taxpayers for the money. It has nowhere else to go.

What is hidden in this Budget is ongoing increases not just for this year but for the next four years. Those increases are not in the budget papers. For example, the Minister for Education plans to charge people to send their children to primary school. That is not in the budget papers, but the Minister has stressed that plan. The Premier and the Government has it in mind to sell off a number of key state enterprises, such as Western Power and the health system. We have seen privatisation by stealth in the Police Force. The Budget does not provide for any extra police officers. It allocates \$1m to local government to look at means by which ratepayers might pay for private security guards. That is an interesting switch in the law and order policy in this State. Ratepayers will pay for security guards.

This Budget has a number of stress fractures, and if the Government is not careful it will fall apart. The Government must look at its finances well before the end of this financial year. The impost and fallout from this Budget will impact on the ordinary people of Western Australia. We will see no improvement in services but we will see the continued sell-off of government assets to meet the payments ahead of us.

MR BARRON-SULLIVAN (Mitchell) [7.13 pm]: I was taken on an interesting tour of the Bunbury power station. It is the first time I have been through a power station and I am indebted to the general manager and staff for the opportunity. It is not in my electorate, but there are implications for a number of its staff who live in my electorate. Significant questions arise in relation to the future of the power station and its role in the region.

The power station has been under a cloud for about 10 years. Staff at the station have been concerned for some time about the likelihood of its closure after the commissioning of the new Collie power station. It has not been a matter of whether the Bunbury power station would close, but when it would close. In effect the Collie power station will make the Bunbury power station redundant for the area's current power needs. The Bunbury facility does not have an excessively heavy workload for much of the year except for a period of high use in summer. When I visited the plant the other day it was in neutral. A major section of the station was undergoing maintenance on that day, which is not an uncommon experience.

My principal concern in visiting the plant was to get a handle on the situation. In particular, to try to get some idea of what might be the fate of the 66 employees at the station and also what sort of role the plant might play in the future. Of those 66 employees, a number might be looking to retire in the not too distant future, but many have young families, so it was pertinent that while I was visiting the power station a well known and active unionist asked my views on privatising the facility. He expressed his opposition to such a course of action. I was reminded of a wisecrack from the late comedian George Burns when he was asked on his birthday a few years ago what it was like to be 90 years old. He replied that it was better than the alternative. It was interesting to hear comments made by the member for Peel about selling off assets like Western Power. In this case George Burns' comment is apt, and surely it is better to ensure a sound future for the facility and its staff. Consequently I am pleased that Western Power has called for expressions of interest from the private sector rather than close the power station holus-bolus.

Mrs Roberts: Do you support the privatisation of Western Power and AlintaGas?

Mr BARRON-SULLIVAN: I am referring at the moment to the Bunbury power station. If the Deputy Leader of the Opposition wants to take up my time on broader issues I will be happy to debate with her at another time.

With any entity one must look at its individual components.

Mrs Roberts: I'll bet that you don't use your whole 45 minutes.

Mr BARRON-SULLIVAN: I can assure the Deputy Leader of the Opposition that I will not use the whole 45 minutes.

One must consider the various entities under an agency or department's administration. I firmly believe there is tremendous potential for the Bunbury power station to provide a competitive electricity supply for specific industries on the grid thereby ensuring its viability into the future and providing security and career and training opportunities which may not have been available otherwise.

The Opposition has gone on ad nauseam in recent days about individual issues arising from the Budget and the Government's overall management of the State. My visit to the Bunbury power station made me think about how the direction the Government has taken in recent years has impacted on people living and working in my electorate by considering a range of policy issues that have not hit the headlines recently. Firstly, it is clear there have been a number of general benefits. For example, a key role of any Government is to endeavour to instill confidence in the economy and throughout the community. Although the Government cannot claim the total credit for generating jobs, it is widely recognised that government policies both state and federal have a direct and indirect effect in this regard. It is encouraging that in the Australind-Bunbury area the latest figures show a significant reduction in unemployment over the last month of 3.8 per cent. This is continuing a favourable downward trend recently.

Mr Court: It is because of good local members.

Mr BARRON-SULLIVAN: I like to think the Premier is correct, but modesty forbids me to say it.

Our State continues to record the lowest unemployment rate in the nation with a drop in unemployment from 7.4 per cent in April last year to 6.9 per cent last month compared with the national average of 7.9 per cent. Furthermore our State's labour force participation rate of 66 per cent is significantly higher than the Australian average of 63.2 per cent. Importantly, as members would be aware, the participation rate in Western Australia has increased slightly despite the reduction in unemployment. This can be seen as a direct reflection of confidence in the community in much the same way as other key indicators were trending upwards in the previous year. The labour force statistics issued by the Department of Employment, Education, Training and Youth Affairs are even more encouraging. They show that the Australind-Bunbury region has an unemployment rate of slightly lower than the average for the State as a whole. Clearly the Government's policies have assisted in promoting employment opportunities.

However, it is not my intention to dwell on the general benefits of this Government's policies. Instead I will look at policies implemented by the present Government which have had a direct impact on individuals, families and small businesses in my electorate. With the emphasis on current affairs recently it is appropriate to start my analysis by looking at the provision of health services at the local level.

The previous Government chose to build a new hospital in Bunbury - no more, no less. In stark contrast, the coalition Government chose collocation, which is something the Opposition has unsuccessfully attempted to discredit in the past. This new approach involves the sharing of resources between private and public health care providers, thereby enabling a range of new health services to be provided to the people of the region. It will provide residents of the south west with a brand new \$70m health campus, including a new state of the art 130-bed public hospital and a new 80-bed private hospital. The Labor approach involved only a stand-alone hospital, and that was based on a design which would be totally out of date by modern health care standards.

Mrs Roberts: How many people are on the waiting list in Bunbury?

Mr BARRON-SULLIVAN: When this hospital begins operating, I will be delighted to invite the member to come down and look at how successful the provision of health services is in the region.

Mrs Roberts interjected.

Mr Court: Most operations cannot be done in the old facility. Under the new facility, people will not need to come to Perth, because the operations will be done locally.

Mr BARRON-SULLIVAN: That is precisely the point that I was about to make. As a result of the provision of this facility, there will be an improvement in health care services for people living in the region. The people of the south west can now look forward to new health services, including psychiatric care, restorative care, palliative care, Aboriginal health, renal dialysis, level 2 intensive care, and oncology. As the Premier pointed out, far fewer families living in the south west will need to suffer the anguish and expense of travelling to Perth and finding accommodation when a family member needs hospital care.

Mrs van de Klashorst: It is bringing the services to where they are needed.

Mr BARRON-SULLIVAN: Precisely, and giving a direct benefit to the people involved. Whereas some 60 per cent of people living in the south west are currently referred to Perth hospitals, we expect that figure to be reduced to 30 per cent, and perhaps lower.

The Government's innovative management style extends to aged care, with expressions of interest being called recently for the replacement of the existing Forrest Lodge Hostel - an issue that the member for Bunbury has been following up in the past couple of years. I understand there has been a rush of interest, and the outcome is likely to be an increase in the size of the facility either on the present site or another, from fewer than 50 beds to around 90 beds. This new approach means that a substandard state nursing home is set to be replaced by a commonwealth-accredited facility which, as well as being brand new and twice the size, will most likely include specific dementia care facilities. This is the direct result of inviting the private sector to participate in the provision of services which were previously the domain of the Government.

The Government has introduced the sort of housing policies that the Opposition would not touch in 10 years in office, including the highly successful Right to Buy scheme. This scheme helps Homeswest tenants to buy their own homes by offering a discount based on the period of their Homeswest occupancy.

Mr Court: It is very popular.

Mr BARRON-SULLIVAN: It is an extremely popular and very successful program. People can own their own homes - something they may never have achieved otherwise - and the scheme returns a dividend to Homeswest which can be reinvested in new public housing. When I raised the matter in Parliament recently, it transpired from the Minister for Housing's answer that 26 families in my electorate have been assisted into their own homes in the relatively short time that the scheme has been available. It was even more encouraging to be told that some 1 500 individuals and families throughout the State have been helped into their own homes in this way. It would be interesting to determine whether the scheme's take-up rate would increase if the discount were extended. I encourage the Minister to at least consider this initiative. When that happened in the United Kingdom some years ago it resulted in more than one million people being able to afford to buy their homes from the authorities.

The management of the Housing portfolio has been a resounding success in the Mitchell electorate in other ways. The New Living program introduced by this Government has benefited my electorate in the same way as it has transformed residential areas such as Kwinana - as the member for Peel acknowledged this week. In 1993 around 20 per cent of all homes in Carey Park were owned by the Government and, through a deliberate effort to improve the quality of living and to change the planning principles adopted by the previous Labor Administration, Carey Park is now undergoing a visible transformation.

In answer to a recent question that I asked in Parliament about the program at Carey Park, the Minister for Housing advised that 59 homes had been upgraded; 44 had been refurbished or sold over the past two and a half years; 15 had been refurbished and retained for rental to families; 26 had been demolished; seven had been sold and 19 new building lots had been created for new housing. I am extremely keen for this program to be extended and have met with the Minister and the new regional manager of Homeswest to explore innovative ways to further improve the amenity of the area.

To illustrate the tremendous impact this policy approach has had, we need only consider the impact on average home prices, which have increased from \$43 000 when the program began to almost \$70 000 today. More families now own their homes - the great Australind dream. The neighbourhood is looking good. The quality of Homeswest accommodation, especially accommodation for the aged, is improving significantly and home values are taking off. These benefits to individuals and families in Carey Park are the direct result of a distinct change in direction by the present Administration. Understandably, it is my intention to ensure this program continues in earnest. With appropriate planning, similar principles can be applied in other areas, opening up the provision of public housing and the development of Homeswest landholdings to include the private sector. The Opposition's approach was to cram in small 500 square metre lots with very little provision of public services, such as parks and playgrounds. By comparison, the coalition is ensuring a high standard of living for private home owners and Homeswest tenants alike. Again, this is a direct benefit of the new style of management.

Mrs Roberts: The four year waiting list for Homeswest accommodation has not changed.

Mr BARRON-SULLIVAN: If people walk into my electorate office, I have no problem finding accommodation for them. The accommodation services in my electorate in the south west, and throughout the State, are of very high quality.

A major concern for any parent is the threat of illicit drugs. The Government's new approach to tackling the problem

demonstrates yet again how, by adopting a fresh approach, the community gains. By contracting out the provision of drug and alcohol counselling, the Minister for Family and Children's Services has provided the basis for a much improved service throughout the south west. Instead of a service limited generally in its activities to Bunbury, the new arrangements will ensure that a comprehensive outreach service will be provided to country towns in the whole region, including Collie and Harvey; while the Busselton area will gain a permanent counselling facility. This will be achieved by contracting out the service to a very reputable organisation, Centrecare. I applaud the Minister for this initiative.

Law and order has seen a new management style, resulting in a new and comprehensive administrative structure in the south west under the Delta program, additional police numbers and resources, especially the highly successful \$1m police station at Australind, and the new \$7.5m district police station now underway as a result of a budget allocation this year. This year's Budget also includes \$4m over four years to assist in developing and monitoring local community safety programs. I am a true convert to this form of crime prevention program, having met with crime prevention practitioners from around the world and, locally, having led a delegation to examine at first hand the programs in operation in councils such as the City of Bayswater.

Figures from the Mirrabooka district police station show that in the first eight months of operation of a program in the area, day burglaries went down 17 per cent, night burglaries went down 8 per cent and commercial burglaries went down 18 per cent. This is additional to the fact that when the program was first introduced in the city's industrial area, burglaries fell by as much as 39 per cent. This sort of community safety program does not simply displace crime to other areas or to other forms of crime. Again, the figures bear this out in Bayswater, where the local security watch program resulted in no fewer than 110 apprehensions in the first eight months.

I am delighted to have been involved in the working party examining how the Government can best assist local authorities, and in examining and monitoring local community safety programs. I am confident this initiative will prove to be one of the most effective ways of reducing crime and making our streets even safer for everyone. In my capacity as the local member of the Legislative Assembly I have approached the local city council to encourage serious consideration of a proposal to introduce such a program, as I firmly believe this would deliver significant benefits to the community. The positive initial response from the mayor's office was extremely encouraging. Once again, this new funding program demonstrates how the Government is quietly working on innovative new approaches to tackle these problems for the direct benefit of families, the elderly and the small business community alike.

Another vitally important aspect of government which touches families directly is the need to ensure schooling of the highest possible standard. Again we see the positive results of a new approach, including the decentralisation of administrative responsibilities, making the department more responsive to local needs and the involvement of the community in planning education needs at the local level, a process which will be enhanced under the new local area education planning arrangements. The list of innovative initiatives in the Mitchell electorate goes on, including creating an independent water board structure enabling greater competition in water supply; contracting out of Water Corporation's technical requirements and technical works, enabling savings and expediting major programs, such as the sewerage infill program which is transforming planning and promoting urban renewal; the establishment of new engineering opportunities for local companies and more jobs through contracting out various government department maintenance requirements; and working towards an expanded scope for industrial development and jobs growth at Kemerton industrial park in balance with key environmental considerations - and the list goes on.

Then there are the big ticket benefits of sound economic decisions, such as the privatisation of the former R & I Bank and the sale of the Dampier to Bunbury gas pipeline. Members should make no mistake, these are the direct result of government policy and careful and effective management by the Ministers responsible. Whether we measure the benefits in terms of reduced debt, reduced interest payments and the resultant increased recurrent capacity of the State's finances to provide increased services and work, or whether the benefits are measured in terms of allocation of a part of the sale proceeds for community needs, such as the \$100m allocated for school computers, it is blindingly clear that these innovative approaches have resulted in genuine improvements across the board.

The simple fact is that a Labor Administration could not have delivered these benefits. Its approach to government would not allow it to undertake many of these programs. We need look only at the federal experience to see how Labor handles the sorts of matters I referred to a moment ago. Yesterday by way of interjection the member for Willagee claimed Paul Keating was the best Prime Minister in 50 years. I thought I was listening to the comedian George Burns because, as Treasurer, Paul Keating was responsible for frittering away on recurrent expenditure all of the proceeds of the sale of the Commonwealth Bank and Qantas Airways Limited and of smaller assets, such as the former Australian embassy in Japan. By comparison, major assets sales in this State will enable long term benefits for the whole State and the people in it because of the very different style of management and the new priorities adopted by the present Government.

I am the first to admit that no Government, regardless of its political persuasion, is perfect and no Administration can

ever deliver services to the total satisfaction the whole community; however, by any reasonable measure, the present Government deserves fair credit for adopting innovative programs in a range of portfolios and refusing to be hamstrung by outmoded ideology, thereby providing tangible benefits for Western Australians and certainly the people of the Mitchell electorate.

Improved housing; greater opportunity for private home ownership; more jobs; safer roads; high quality neighbourhoods; new schools and quality schooling for our children; the tackling head-on of social problems, such as crime and drugs; supporting local small business and generating greater job security; new health services; and better care for the aged in our community, are all among the direct benefits of programs underway in my home town and the electorate of Mitchell.

Of course, much is still to be done and I acknowledge the Government is facing challenges in areas such as the provision of health services; however, we can be confident that with the overall budget situation in a stronger position today through sound management, Western Australians can look forward to a future in which we continue to enjoy a strong sense of security, one of the best standards of living in the world and genuine opportunities for our children. I am pleased to support these Bills and the 1998 State Budget.

MR BRIDGE (Kimberley) [7.35 pm]: For the best part of 30 minutes the previous speaker painted a picture of an electorate that has no parallels. He then went on to admit that no Government is perfect. After hearing the description that has been put forward during the past half hour, I do not know of another electorate that would come close to the electorate of Mitchell.

Mr Court: It was a very good description. We all want to live there.

Mr BRIDGE: A good description is an understatement! I could not find words to describe this electorate, having heard his commentary for the past 30 minutes.

Mr Court: It is nearly as good as the Kimberley.

Mr BRIDGE: The Kimberley is a good electorate.

In my contribution I want to comment on the relevance of State Parliaments debating Budgets, given the overall situation of the country. I am pleased the Treasurer is in the Chamber. During the next few moments we will share an exchange of views which will be useful in the debate. Budgets are brought down and are painted as being relevant to the needs of the people and the ongoing obligations that must be performed by government. At the same time, we see major impediments in the provision of services and the needs of the people.

This Budget is not an exception to that rule. We must question the relevance of the Budgets of all States in Australia. We must question the continuation of the Parliament and why we must have Governments in place in this country. We are seeing the removal of assets from government ownership. Linked with this process is the sovereignty of our country. When we think about it in that context, it is a pretty important topic to dwell upon and to ask questions about.

I put this to the Treasurer: Today in the newspaper I read about the possibility of the privatisation of the prison system, with the building of a private prison. I hope that, at best, that is only one of many options, rather than a preferred option. Quite frankly, that would be a very frightening situation were it to happen in this State. In terms of Aboriginal people, it could border upon de facto genocide.

That is how serious the building of a private prison would be. Members will appreciate that Aborigines make up a huge section of the population of our prisons and that commercial considerations are paramount in a privately owned operation. In essence this means that the prisons need to be filled and maintained and if they are not where are the commercial benefits of such operations? What a frightening situation that would be. Hypothetically, a prison could be owned by a multinational company, perhaps an American company. That is not out of the question once we start talking about privatisation. The consequence of privatisation is that we, as politicians, lose our ability to have an involvement in the process. It is beyond our ability to represent the interests of our constituents. Once these sorts of institutions are privatised they are outside government control and responsibility. Politicians are no longer able to intervene.

Hypothetically, a person in the community might come to a politician with a problem but that parliamentarian would not be able to help that person. At the moment each of us has the means by which to intervene. We can refer problems to the Ministers of the Crown. They, in turn, have a responsibility and duty to intervene and take up the issue. If the system changed to a privatised methodology that opportunity for ministerial decree would no longer exist. It would be a commercial matter and, therefore, members of Parliament would not be able to play a part in protecting the individual's rights. Quite clearly that would be an intolerable situation. That individual could turn to the civil courts, but how many people have the resources to do that? If a multinational company owned the institution

and if the individual could not afford to go the courts, who would determine the fate of that individual in the end? The people in the boardroom in New York or somewhere else, that is who.

I say quite clearly to the Premier that he must be very careful with this issue. I stress upon him the need to torpedo this scenario as quickly as he can. It is fraught with enormous dangers. In the end it will not bring about the solution that the Government is seeking to achieve in this State.

The solutions to the problems that beset us in this State are to be found in the justice system and the number of people who are caught up in it. That is where our problem is. We must do the things that the Premier and I talked about 12 months ago. The Premier supported an exercise that would see greater involvement from the community in law and order. This would not involve extra prisons but rather the introduction of a practical set of rules and arrangements whereby fewer people would be attached to the prison system. Unfortunately, despite the Premier's continued support of the concept, it has not got off the ground. That is a tragedy. The Premier and I discussed this concept at length and he was excited about its potential. It should be up and running in Western Australia today but it has not been put in place. This is not due to a lack of interest or support from the Premier but because he and I have been caught up in a bureaucratic mechanism, one that seems to be going around in circles instead of reaching an outcome that enables that process to at least be given a trial. That is the way we must deal with this problem. This concept would take people out of the cycle of law and order, the justice system and imprisonment.

We are so caught up with these people trapped in the system that the Government must contemplate the provision of extra prisons. That is not the way forward. That kind of approach to law and order is a backward step. It has the long term consequences of being a part of what I see as a threat to the sovereignty of this country; that is, allowing prisons to become one of the many government functions that will progressively be privatised in the name of economic rationalism. People in this country are developing an attitude that is able to justify the continuation of this policy as a means to an end. We are looking now at the prisons, the water and power agencies, the hospitals and so on. The previous speaker spoke in glowing terms about his electorate but he, too, talked about the possibility of these utilities being privatised. Privatisation of the assets that make up the estate means we lose the sovereignty of the country; we have no say over it. These institutions will not be part of our nation, of what we can call our own. The consequence of privatisation is that we fragment the most fundamentally important aspect of this nation's history which significantly is the base upon which people went to war to defend this country.

I hope that somewhere along the line in framing these budgets the people who are the economic and financial advisers to the Government will wake up to themselves and to the consequences of the continuation of this cost constraint, economic justification or whatever people like to call it. A few years ago we were talking about microeconomic reform. Those things have done nothing but set Australia on a pathway to destruction. This is seen out in the bush. It is not seen here in the city. Standing here at the moment there is no evidence that there are problems out in the hinterlands of this country. If people go out into those hinterlands, which make up a large area of our landscape, they will see serious problems. The people out there are now having to respond to the implementation of the most constraining policies that the country has ever experienced. They are starting to crack at the edges.

Inland Australia today is on its knees because of the profound influence of this so-called microeconomic reform or economic rationalisation. It has penetrated beyond the normal call of government accountability, constraints and efficiency and it is high time that, when formulating budgets in this country, proper account is taken of those important fundamentals.

Let me highlight one or two instances. One such instance occurred in the past week when the Derby Shire Council was informed that the Aboriginal Affairs Department would be relocated from Derby to Broome for reasons that can be associated only with cost cutting and so-called financial accountability and efficiency. If one looks at Derby and understands its geographical location, one will find it is an ideal place for the operations of the regional office of the Aboriginal Affairs Department to serve the west Kimberley. It sits in a strategic location between Broome and Fitzroy Crossing and is surrounded by many Aboriginal communities from north Kimberley to the southern areas of the Kimberley. Yet there is a crazy situation where the West Kimberley Shire Council has been notified of the impending removal of the Derby office of the Aboriginal Affairs Department. That is an example of the drain that is occurring in regional Australia.

Major centres which are viable in their own right are provided with additional support services, such as the relocation of the Derby office to Broome. Derby desperately needs these services for its own survival and viability, whereas Broome does not require it. Broome is very vibrant and has a significant tourism industry and will continue to flourish. Derby, on the other hand, needs those agencies to remain. They represent the vital core of the economies of these towns and the means by which viability is preserved. Sadly, if one took a head count of the Derby type communities in Australia one would find hundreds of towns in the same boat. Once flourishing communities that had everything are today barely able to survive. The population reduction is profound, the future for the families is most uncertain and the prospects of any growth emerging is not attractive. There is no point in members talking

about the continuation of the prosperity of this country when this type of situation exists. We must say to ourselves that something better must occur. One is able to change that situation through the proper planning of budgets and taking account of the fundamental requirements of our broader community.

Not all electorates are like the one to which the previous speaker, the member for Mitchell, referred. It is a long way from being the case. Members of Parliament must rethink their political responsibilities, about where they are headed and how these budgets are framed. At the moment, members are falling very short of that. As a result, Governments Australia-wide are resorting to sell-offs and privatisation to square the ledger. That is no way to run a country; it lacks responsibility and fails to uphold the obligations that are placed upon us as politicians. Members must change their way of thinking and catch hold of this situation, which is profoundly driven by others, not politicians. The problem is that the influence, opinions and advice given to Governments is off kilter. If one thinks about it in the context of that scenario, whom does one blame? The blame must come back to us. There is no point in our passing the buck and saying, "They are the ones doing all the wrong things and telling us incorrectly what should be the framework and the processes upon which Governments provide resources to the community at large." It comes back to us in the end.

I say to you, Mr Speaker, and to you, Mr Treasurer, with all due respect, that we must seriously consider the future directions and considerations that we place upon the planning and framing of budgets, because they have become irrelevant. There is no relevance in the Government's moneybag to the people, because it does not strike the right chords or target the right areas; and that blame in the end must be sheeted home to us. Otherwise, one could say that there is no place for Governments in this country, and certainly no place for Parliament, so we may as well all pack up and go home. Let the private sector and the multinationals run the whole show. They do not need Governments or Parliaments; so where is our place? We will continue with the irrelevance of the structural planning and framing of our budgets. We have a job at best, but it has little relevance to what we are here to do.

More serious issues than this Budget need to be considered by the politicians. This country expects more from us and it is high time we started to refocus our direction. Australian politics has no relevance to the people in the community. We are as far removed from the requirements of the broader community as a kangaroo is from a wombat. That is the truth; that is the position, so why do members say that what they are doing is profoundly important and highly beneficial to the people? Let us get things right; let us not talk about privatisation of prisons; let us not even remotely consider privatising the hospitals, the schools, the water services, and the power services.

In the name of the continuation of our nation's sovereignty, we are duty bound to ensure that we serve the people who own those assets. In planning budgets, Governments should not be placed in a predicament in which they must contemplate selling off those assets. Let us help the incumbent Governments of Australia. Let us not glorify false achievements, as I heard tonight, for that is not the truth. Let us work in a constructive way to make the Parliaments and Governments of Australia accountable and responsible to their constituents; namely, the people of Australia.

Finally, in July a major conference will be held in New South Wales at a place called Dubbo, which is a major regional centre. The conference is called "The Spirit of Australia". The people of inland Australia have had enough. They have had a gutful of being promised many things which are not delivered. These are fundamental requirements to which the community feels entitled. That is where we are at the moment. The Dubbo scene, although in New South Wales, can be recognised in all other States of Australia. We will be rewarded if we get the fundamentals right.

A great thing about Australia is that its resources base is plentiful and not in question. What are we doing? By adopting grandiose plans of control and privatisation we are taking the heart out of the development process. Where in Australia can we find the little Aussie battler, with whom we have been proud to identify, with a chance to do anything today, notwithstanding the plentiful resources? He gets his little or big vision in place, but what does he find? He runs into the same problem as the Treasurer and I confronted with the scheme to which I referred earlier. Despite our greatest intent, we are still obstructed. Therefore, what chance does the little man down the road have to do anything for himself or his country? Things are out of kilter.

That situation begs the question: What do we do? We change the emphasis of the financial priorities of Budgets handed down by Governments around Australia. We return to the basics. This nation is endowed with enormous resources, and we must blend the resources with the involvement of the Australian people. It should be a partnership. Therefore, we sell off nothing because that asset base is needed by the people; it is part of their ownership of this country.

The Treasurer should take a look at the Kimberley. The opportunity exists for people to be gainfully involved in carefully managed development in the Kimberley; however, financial incentives must be provided to make it possible. Otherwise, it is too hard and people cannot hang in long enough to see the realisation of their dreams. That is the problem.

In all my years in Parliament, every Budget I have debated has been deficient. I cannot say that any Budget was exceptionally different and better. We seem to get out of kilter once we get into government; we take advice and direction from people who help us, and we miss the boat. We do not get priorities right and - this is the danger - progressively we become more irrelevant. I hope my comments tonight trigger a change to relevance. From now on, Budgets should place emphasis on relevance and properly directing finances to the community. That will get the country up and running faster than at today's rate. We must quickly get inland Australia working for us. We do not have a great deal of time on our side.

I have not looked at the Budget in detail. I do not speak with the idea of picking holes or giving accolades, but to stress my genuine interest in this nation. Western Australia is my, the Treasurer's and all members' State. It is part of the national picture, and anything which goes wrong nationally has an impact on Western Australia. Therefore, we need to think nationally when considering how Governments of Australia face up to their obligations. We have some ground to make up to put things right

MR COURT (Nedlands - Treasurer) [8.08 pm]: I thank all members who have contributed to the budget debate, which is an important opportunity for members to raise issues, particularly those relating to electorates. For the time I have not been in the Chamber, I have ensured that Treasury officers have taken note of the many constructive suggestions and criticisms raised in this debate.

Question put and passed.

Bill read a second time.

APPROPRIATION (CONSOLIDATED FUND) BILL (No 2)

Second Reading

Resumed from 30 April.

Question put and passed.

Bill read a second time.

ESTIMATES COMMITTEE MANAGEMENT COMMITTEE

Report

On motion by Mr Barnett (Leader of the House), resolved -

That the report of the management committee under the sessional order relating to Estimates Committees 1998 be adopted.

[See paper No 1435.]

MARTIN, MR GRAEME - EMPLOYMENT BY FIRE AND RESCUE SERVICE

Personal Explanation by the Minister for Emergency Services

MR DAY (Darling Range - Minister for Emergency Services) [8.10 pm]: Yesterday in question time in response to a question from the member for Midland about the firefighter, Mr Graeme Martin, I indicated that Mr Martin had been provided with employment by the Fire and Rescue Service for a period of six months following the accident. I made a technical error in that answer in that I misread a briefing note with which I was provided at the time. In fact, Mr Martin was provided with employment that commenced six months after the accident. I understand that that employment lasted for three months or so. I apologise to the House for the error.

TREASURER'S ADVANCE AUTHORIZATION BILL

Second Reading

Resumed from 30 April.

DR GALLOP (Victoria Park - Leader of the Opposition) [8.13 pm]: This Bill seeks to authorise the Treasurer to make certain payments and advances and to specify a time limit for the payments and advances for the year commencing 1 July 1998. The Bill also seeks to amend the Treasurer's Advance Authorization Act by increasing the advance limit from \$200m to \$550m.

I will first talk about the amendment to increase the 1997-98 limit by \$350m. This is the third year in a row in which the advance limit has been increased during the relevant financial year. In 1995-96 the limit was increased from \$200m to \$410m. In 1996-97 the limit increased from \$200m to \$300m. This current Bill again seeks an increase,

this time to \$550m. One of the main reasons for this increase is the transfer of \$244m from the consolidated fund to the state development fund trust account to provide for future capital works projects. This money has been made available as a result of the sale of the Dampier to Bunbury pipeline. Nearly half of this \$244m is being set aside for the Treasurer's pet project, the convention and exhibition centre in the central business district. This is from a Government which gave no indication in its election platform in 1996 that taxpayers' money would be used to fund such a project. Now taxpayers are being asked to provide \$100m to help fund the convention centre. As was revealed in Parliament earlier this week, taxpayers are also being asked to provide land worth \$30m for the centre. The building of this convention centre, while ignoring calls from the community for an improved and extended public transport system, is just another example of how out of touch this Government is with the people of Western Australia.

The Treasurer's Advance funding of \$37m is also required to continue the operations of the Department of Contract and Management Services. Until appropriate legislative amendments are made, it is necessary to fund its operations under Treasurer's Advance arrangements. In 1996-97 additional funding was also required for CAMS under Treasurer's Advance arrangements. It is interesting to reflect that CAMS began operations back on 1 July 1996. It began operating nearly two years ago. We are still having to deal with its funding arrangements under Treasurer's Advance arrangements because the Government apparently has been unable to introduce into the Parliament the necessary legislative arrangements. I ask the Treasurer as part of this debate to give us some idea of the timetable which will allow us to have that legislation in and through the Parliament.

For financial accountability and transparency reasons, funding for government operations should be allocated through the budget appropriation Bills. Funding under Treasurer's Advance should be used only for extraordinary and unforeseen circumstances or for short term financing. However, the Government's inability to make the necessary legislative arrangements to reflect the new agency structure of CAMS means that for the second year running we are still having to deal with its funding through the Treasurer's Advance. This is a very clear demonstration of the Government's inability to manage its legislation through this Parliament to achieve efficient and transparent outcomes. I request that information be provided on the status of that legislation and on the ability of the Government to bring it into this Parliament and have it debated.

Other significant funding issues that are raised by this Bill are dealt with under the 1997-98 Treasurer's Advance account. They fall under the areas of health, justice and police. I refer firstly to health. Additional funding of \$45m was provided in 1997-98. That short term injection was necessary as hospitals plunged into severe financial crisis. The Opposition estimated prior to the State Budget that the Government needed to put around \$140m into recurrent health spending in 1998-99 just to maintain the status quo in the health system. The Government failed to even come close to that in its 1998-99 budget allocation and the crisis continues to worsen. As reported in *The West Australian* yesterday, sources within the Health Department say that hospitals will be more than \$100m in debt by the end of the next month. Although that figure has been disputed by the department, there is no doubt that a serious shortfall exists and is leading to the rationing of health care to our citizens. This State Government continues to underfund the health system. It has adopted an ad hoc and piecemeal approach to funding public health. Its approach of using asset sales in an attempt to keep plugging the gaping holes that appear in the public hospital system is simply not a solution, nor is using people as the Government's political pawns in its funding game with its federal counterpart in Canberra. Our view is that the Government's continued neglect of the health funding in this State is a clear and sad demonstration of its financial and social irresponsibility.

I also ask the Treasurer as part of this debate, to give an indication as to the current status of the deficit in the Health budget as we approach the end of the financial year. We have raised that matter in debate. Last year the Treasurer will recall that we had an admission from the Government that it was \$55m short, according to the projected demands on the system and the budget allocation, and there was an injection of money. We believe, on the basis of evidence that has been given to us, that that has now blown out. As I said, in the newspaper earlier this week it was estimated by sources within Health that the deficit was currently running at \$100m. This is part of the reason of course that the dispute with the nurses is being prolonged; so that there will be savings of money in the budget. It is also the reason that the Metropolitan Health Services Board has sent out memoranda to all of the hospitals in the metropolitan area calling upon them to cut down on what it calls unnecessary expenditure. We will certainly be asking the Treasurer to indicate what is the status of the Health budget in 1997-98 and what is the predicted deficit at this stage of its operations.

The Treasurer in his second reading speech also claimed that another \$25m is needed by the Ministry of Justice and \$15m for the Police Department in the 1997-98 financial year. The speech however fails to provide any reasons for the need for supplementary funding. I will therefore ask the appropriate Ministers in this House or indeed the Treasurer to put forward some justifications for that supplementary funding.

That is the third request that I make, that details be provided of the \$25m for the Ministry of Justice and the \$15m

for the Police Department. In total the Premier listed \$402m worth of expenditure that needs to be provided for under the 1997-98 Treasurer's Advance arrangement. He is, however, asking for an allocation of \$550m, which makes us believe that there is approximately \$150m worth of expenditure that will not be revealed until the end of this year.

I again to refer to the circumstances in which the Treasurers' advance should be called upon. They are -

To make payments of an extraordinary and unforeseen nature and to make advances for the temporary financing of works and services and other advances of an accounting nature.

We saw a good example this year - the sale of the gas pipeline. An amount of \$244m of that went out of the consolidated fund into the trust fund and had to be accounted for in that year. Of course, that is part of that legislation. Treasurer's Advance funding, however, is not a preferred method of funding as it does not allow prospective scrutiny but only retrospective scrutiny.

It is interesting that this issue was discussed in the McCarrey report, which states -

The use of the Treasurers' advance to meet major new expenditures can enable a government to avoid the need for full disclosure to the Parliament of the circumstances of the payment until such time as the supplementary appropriations are submitted with the following budget.

The practice of seeking after the event appropriations as a schedule to the following year's appropriation Bill could have the effect of limiting parliamentary debate on the issue.

I now move on to the section of the Bill which seeks to provide an increase of \$100m on the limit of the Treasurer's Advance in comparison to last year. As members may recall, the initial limit set for 1997-98 was \$200m. The initial limit has remained unchanged since 1991-92 although the Government increased the limit subsequently in 1995-96 and 1996-97 and is seeking to do it again this year. The Opposition understands that total government expenditure has increased significantly since that time, and therefore the possible demands on the Treasurer's Advance have increased. However, the Government must remember that for both accountability and transparency reasons, new and additional funding under these arrangements should be seen as a last resort. As this Government continues to hold itself up as the financial budgeting and reporting icon of Australia, one would hope that it does not have to continue to rely heavily on Treasurer's Advances as a source of funding and that its budgeting process is substantially thorough so as to limit the need to draw on the Treasurer's Advance.

Another issue I would like to talk about this evening in respect of the Treasurer's Advance relates to the Global Dance Foundation inquiry and the ministerial responsibility under the existing arrangements under the Financial Administration and Audit Act. The Treasurer is responsible for approving and allocating supplementary funding. In most circumstances checks and balances are inherent in the system. As the Minister recalls, a supplementation needs approval from the Treasurer, who, with the Treasury, ensures that the request meets the proper criteria before funding is allocated. These checks and balances do not exist, however, when the Minister requesting the funds is the Treasurer. This was a key feature of the Global Dance disaster. To ensure that there are accountability measures built into the system, recommendation 3 of the Public Accounts and Expenditure Review Committee report states -

Where a Treasurer is also the responsible Minister, applications for supplementary funding for that portfolio should be submitted to Cabinet for approval.

We need only consider the Government's rejection of this recommendation to get a true picture of where the Government stands on accountability and good financial management practices. Just as we raised the issue last night of the indemnity that was given to the television stations to the clearly political advertising of the Government and the lack of proper checks and balances that were in place at that time, tonight we refer to the Government's failure to respond to a reasonable recommendation of this Parliament's own Public Accounts and Expenditure Review Committee to ensure that checks and balances are in place when it comes to the use of Treasurer's Advances.

The fact that the Government has rejected the recommendation of the Public Accounts and Expenditure Review Committee is particularly extraordinary when we consider that one of the reasons given for this decision is -

It is entirely possible that Cabinet would arrive at the same decision as the Treasurer.

That is the sort of thing we can imagine Sir Humphrey saying to his Minister when providing him with advice on how he might handle a tricky issue with the media. I hardly think that the proposition that the Treasurer and Cabinet might actually agree on a matter is a good enough reason to totally disregard and reject any measures that might operate to improve government financial management and the supposedly restricted circumstances in which Treasurer's Advances are meant to be used.

For all its rhetoric, the Government has yet to deliver on accountability and good financial management practices.

Certainly we are going to initiate broader debate in this Parliament about the way the Budget has been presented this year. Despite the claims made for it by the Government, we believe there are serious deficiencies in the ability of members of Parliament to extract information and to properly debate what is going on in government.

On first reading the budget papers this year, I have to say that the program statements, which were the basis of our debates last year, provided us with a much clearer picture of what was happening in government. They told us about the FTEs and the dollars that were allocated, not only in the next year's budget but in the past year's budget; and therefore we could compare and contrast. It is also a fact that when we consider government and government agencies, they do in fact have programs, so it is a fair description of what they do. There is no doubt that, over and above that, it is legitimate and proper for Government's to look at their output performance. We have no objection to outputs as a measure of what is happening. However, we would certainly like to see incorporated in the budget statements clear program statements so that we can judge what is happening.

It is our view that this year's budget papers have been deficient in respect of the ability to give this Parliament a proper basis to debate the Budget. We will certainly do our best in the Estimates Committee next week to remedy that situation. However, I urge all members of Parliament to look at the budget papers this year. A useful issue for the Public Accounts and Expenditure Review Committee to look at, from a parliamentary accountability point of view, is the way the papers were presented this year.

Of course, we support the Bill. It is the Government that has the responsibility to manage the finances. It is our intention to hold it to account, to question it and to probe it in respect of those issues. However, the Government has the right to set the Budget and we accept this legislation. Certainly, before the end of the debate, I would like the Treasurer to deal with these issues.

First, the legislation covering the Department of Contract and Management Service must be dealt with. The Opposition wishes to see a clear timetable in place so that we do not come back here again next year. Second, I ask the Treasurer to report to the House on the current state of the Health budget and its deficit. Third, I ask the Treasurer to indicate the purpose of the \$24m for the Ministry of Justice and the \$15m for the Police Department in the 1997-98 year so that we have a clear view of what we are accepting in this legislation.

I conclude by reminding the Treasurer that this legislation is for an extraordinary and unforeseen situation where advances are required for the temporary financing of works. It should not become a basis on which we retrospectively justify major items of expenditure, thus denying the Parliament the opportunity to debate them before they are given a legal basis by this Parliament.

With those general comments on some accountability issues and specific matters the Opposition supports the Bill.

MR GRAHAM (Pilbara) [8.30 pm]: I draw the attention of the House, particularly the Treasurer - I am glad he is here - to a constituent of mine operating as Le Mer Marketing and Consultancy Pty Ltd which has suffered some five and half years of frustration, bureaucratic bungling, lack of progress, departmental bloody-mindedness and small minded and petty decision making by government departments in his attempt to develop and export marine shells in Port Hedland.

Points of Order

Mr BARNETT: My point of order is obvious to all members of the House. We are dealing with the Treasurer's Advance Authorisation Bill, which is not a general debate. I appreciate that the Opposition has cooperated in concluding the second reading of the appropriation Bills. If the member is making a general budget speech he will have an opportunity in the third reading or when we deal with appropriation Bills Nos 3 and 4. However, this Bill relates to the Treasurer's Advance and I do not think our standing orders allow us to roam as far as the member for Pilbara intends.

Mr GRAHAM: I am relaxed about whether I make my speech now or at some other time. However, I would like to make it before the House rises because I have a deadline. Prior to our rather silly dinner break I sought the advice of the Clerk and the Speaker on whether I could get into a general debate.

The ACTING SPEAKER (Mr Barron-Sullivan): I am sure the member for Pilbara will have an opportunity later at the third reading stage to make comments.

Mrs ROBERTS: In this debate last year Mr Acting Speaker, the many contributions made in this House were of a general nature. Any ruling to the contrary to this being a general debate would be a complete turnaround from the precedent set last year.

The ACTING SPEAKER: It is my advice that under standing orders, technically the debate should be limited specifically to this Bill. It does not provide for the same broad ranging categories of an appropriation Bill. Having

said that, as the member for Midland indicated, previously fairly wide ranging discussion has been allowed when debating this legislation. Provided there is some scope within the Bill for matters to be raised by the member for Pilbara, it is the Chair's decision that he may continue to speak at this stage if he wishes.

Debate Resumed

Mr GRAHAM: Thank you Mr Acting Speaker. I was referring to five and a half years of frustration in trying to develop an export marine shell proposal for Port Hedland. I am not seeking to play a partisan political role because I have been involved, as the local member, with the project's proponents for some time. I have taken them to see successive Ministers. The then Minister for the Environment, Hon Cheryl Edwardes, and the Minister for Agriculture, Hon Monty House, were most helpful. I cannot say the same about Hon Peter Foss, the earlier Minister for the Environment, because to some degree he caused the problem.

I will briefly describe the project because people do not seem to understand what it is. It is a trochus shell growing project based in Port Hedland on Downes Island, seven kilometres west of Port Hedland. It is contained within Port Hedland Port Authority land - the biggest port in Australia. It is not in the Great Barrier Reef or a high conservation area; it is contained within what is already an existing port, to the east of which is becoming the Bedourie industrial estate, the biggest industrial project in Western Australia.

The project is about putting on the ground on a small island accessible by land some 15, 250 litre breeding tanks and a residence, necessary because of the valuable shells and equipment that will be located within walking distance of the town; four small tanks; a desalinator to provide drinking water at the residence; a reservoir tank; a rainwater tank; some pipes; and a small layout. The stock to be used in the feed is naturally occurring algae - nothing sophisticated or exotic - which will feed the trochus shells the proponents wish to grow.

It is a simple project and it is probably one of the most environmentally friendly projects that one could find. It requires the facilities I have outlined, and a 60 mm poly pipe feeding into the ocean from which water would be pumped at the rate of 2 000 kilolitres a day. The trochus shells in the tanks will grow, the sponges will grow and the difference between the water coming in and the water going out is what the trochus shells eat. There is no effluent discharge, no pollution and no chance of translocation of species.

The product grows from eggs. If the eggs escape from the parent they cannot grow. The growth of the young is dependent on water temperature. If the one exotic species escapes into the water in the Pilbara it could not survive. Therefore, there is no chance of any environmental risk from the project. It is extraordinary that it has taken five and a half years and the project has yet to receive environmental approval.

I make this political point: When the Labor Party lost government we were castigated by the then Opposition about our poor performance on approvals. Here is a project that is environmentally friendly. Even its harshest critics say it is benign; yet it has been five and a half years seeking approval.

Mr Barnett: What is the capital cost of developing this project?

Mr GRAHAM: The cost is \$500 000, and it will turn over \$10m inside five years by making button blanks for export. It is a small project by any yardstick.

The project has been appealed at various stages, so to a degree I excuse the bureaucrats from that process because it is not their fault that organisations like Greenpeace and the Australian Conservation Foundation are having a blue with the fishing industry about whether there should be aquaculture projects and this project has been caught in the middle of it. Even I find it hard to blame the bureaucrats for that. Nonetheless, this chap has been an innocent victim of that warfare. This land is alongside the biggest port in Australia. I will quote from a department of Conservation and Land Management paper signed by Syd Shea and dated 11 March 1996, which was prepared for the Government's interdepartmental committee for aquaculture, which in 1996 ticked off and approved the project. Each department on that committee marked off that proposal as one that it could approve. It states -

Subsequent to Mr Rinkens' application for a site for an aquaculture facility on Downes Island, the island was assessed in the field by CALM regional staff. They have reported that the island's conservation values should be protected through reservation.

These Pilbara islands fall within the system 8 process, so regardless of merit, some blanket protection values are placed upon them, and I do not seek to argue with that. It continues -

Weeds are present but the island also has extensive areas of mangroves and supra-tidal flats. Downes island also has significant recreation values for Port Hedland residents as the beaches are used for both day visits and camping.

It is also reported that should Mr Rinkens' proposal proceed, it would not significantly compromise the conservation values of the island as it would disturb a small area of already degraded sand hill habitat and would not impact on mangrove or other communities present.

The presence of feral animals because of the access available from the mainland during average low tides means that quarantine for this particular island is not an issue. However, this situation is quite different from other Pilbara islands and the recommendations made below are not to be regarded as a precedent for similar applications for island shorebases for aquaculture.

Reservation of Downes island for conservation and/or recreation purposes and its potential limited use for an aquaculture shore facility are not regarded as mutually exclusive.

Therefore, in 1996 CALM reported that this project could proceed and the conflicting interests could be balanced.

I turn now to the recreation value of this island to Port Hedland. It is interesting that the following people and organisations have given letters of support to the project proponent since the very early days and maintain their support for the project: Mr Derrick Miller from BHP Port Hedland; Mr Wayne Warnock from BHP Direct Reduced Iron Pty Ltd; the Port Hedland Port Authority; the Port Hedland Yacht Club; Cargill Salt; Port Hedland Town Council; the Pilbara Development Commission; the Hedland Scuba Diving Club; the Hedland Skin Diving Club; the Hedland Sports Fishing Club; the Hedland Game Fishing Club; the Aboriginal Heritage Department; the National Native Title Tribunal; the local environmental group - LEAF of Port Hedland; the traditional Aboriginal custodians; Dr Barry Wilson, who is a malacologist; Dr Jim Stodard, who is a consultant; and Dr Chan Lee, who is a marine scientist. CALM, the interdepartmental committee on aquaculture and the Department of Resources and Development have also given support for the project.

It should be relatively simple for these people to get their project off the ground, because everyone approves of it, yet they have been totally frustrated by CALM and the Department of Environmental Protection, which have some rather curious views about what this project will mean. Those organisations, and particularly officers from the Department of Environmental Protection, have a fixation about the discharge pipes.

These pipes will be neither sewage effluent pipes nor pipes for industrial waste. They will pump in sea water, the trochus shells will feed off that water, and the sea water will be pumped out. The pipes will be two and a half inches in diameter and pump out 2 000 kilolitres of water per day. Those organisations expressed concern about the effect that will have on the water temperature. That is quite bizarre. They also expressed concern about what would happen if all the pollutants went back into the ocean. The proponent has made it quite clear and has given concrete undertakings that those concerns are unfounded and that it would be scientifically and physically impossible for those things to occur.

Mr Riebeling: They are a bit salty!

Mr GRAHAM: Even members in this place can see the humour of the situation. I ask members to put themselves in the position of this chap, who has spent five and a half years on this process. He had received an in-writing, concrete proposal from wealthy people to expand the project and move to Indonesia to farm trochus shell and meat. We were able to convince him, against his better judgment at the time, to stay in Australia. As current events are proving, that was probably a wise thing, but 12 to 18 months ago, no-one foresaw those events in Indonesia.

Mr Court: You convinced him of stable government here!

Mr GRAHAM: We were able to convince the proponent not to go Indonesia, and, in return for that, some 18 months on he still has not received his approvals. He has gone through the environmental processes, and he has conducted a consultative environmental review, on which he obtained the best possible advice, and which he got quality people to do for him. It was a good CER. In our view, he should not have had to conduct a CER because of the low status and impact of the project, but nonetheless he conducted it.

It came to my notice yesterday that yet again, the Department of Environmental Protection and CALM will not proceed to approve this project. Five and a half years down the track, CALM is seeking to put another obstacle in the way of the project proponent. The document from CALM states -

Prior to commissioning, the proponent shall prepare a Lighting (Impact on Nesting Sea Turtles) Management Plan to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Conservation and Land Management.

This island is adjacent to the biggest port in Australia. It exports over 70 million tonnes of iron ore a year, and operates 24 hours a day, seven days a week. That operation is so big that for 25 years it has built and run its own power stations, yet this guy, who wants to put half a dozen little tanks on the beach to grow shells, must provide a

management plan to see how his proposal will affect turtles. It is an absurdity, particularly given that the department now demanding that position said three years ago that the reservation of Downes Island for conservation and/or recreation purposes and its potential limited use for an aquaculture shore facility are not regarded as mutually exclusive. In effect, it had approved the project two and a half years ago. At the last minute, taking the last possible chance, it has put another obstacle in the way of the project developers. I do not know how those two views can be reconciled.

I am glad the Treasurer is in this Chamber because I intend to write to him. He has heard the speech. There are no political nasties, and I am not seeking to trap the Treasurer. However, I want someone in the Government in a position to deal with this matter to intervene and to tell the project proponents what they must do to get this good project going. It has the ability within a short time to provide employment for 10 to 15 Aboriginal people in Port Hedland.

Mr Court: Have you been to the island?

Mr GRAHAM: Yes. Does the Treasurer know where Finucane Island is? Next to that is Weerde Island, and Downes Island is next to that. It is in a direct line between the HBI plant and the water, but west of the harbour.

Mr Court: Was there a launching ramp there?

Mr GRAHAM: That is on the back of Weerde Island where there used to be water skiing. Downes Island is the next one. It is a misnomer to call it an island; it is land locked and at low tide people can walk to it. I hope the Government will do something for these people. Any reasonable assessment of the project indicates they are good people. They are little battlers. They want to get the project off the ground. They have put in a lot of time, effort and money and, to date, they have been totally frustrated. They have not been able to put one shovel in the ground to simply grow shells that occur in the wild in a natural position on the beach, and make themselves some money and create some employment in the town.

MS MacTIERNAN (Armada) [8.53 pm]: I shall make a few comments perhaps as closely related to the Treasurer's Advance Authorization Bill as those of the previous speaker! Members do not have as many opportunities as they would like to raise issues of more general concern, so I take a few minutes to raise this issue.

Members will be aware that for some time I have been expressing concern about the Government's Keystart scheme that assists home buyers. I have been concerned about the way in which the scheme operates. One of the concerns has been the management group put in charge of this scheme. It is basically overseen by a board that includes the director of Homeswest and various other personnel associated with Homeswest, but it is managed by a private consortium made up of a company called IFI Management Pty Ltd and Stanton Partners. I have previously, in this place and another place, expressed concern about the way in which, under the management of this consortium, the scheme seems to be enticing people into loans that leave them with a negative equity in the property. I will not go into detail about that.

I have also expressed concern about the fact that the managers of this scheme are conducting their own rival finance company, namely, WA Home Loans. It is the subject of complaint by many people using Keystart, many of whom have low financial resources. They are concerned that under this scheme they must pay a much higher than market rate of interest, but they have little option but to use Keystart because of their financial circumstances. This is cause for reflection, bearing in mind that the manager of the scheme is conducting its own rival finance company. I have also raised concerns in the past about the previous conduct of one of the operators in that consortium, namely, the accountancy firm of Stanton Partners.

Another matter has recently been brought to my attention. I note that the Minister for Housing is in the Chamber and I hope he will enlighten me about this because it is a matter of concern. Because of the problems with negative equity in the Keystart scheme, and because people are often put in circumstances in which they are loaned money beyond their capacity to pay, a number of repossessions take place. Traditionally, when these homes have been repossessed the finance institution, usually the building society responsible for the loan to that home buyer, engages a contractor to clean up and effect repairs to the house in order to maximise the return the house on the market. For some reason, the management of Keystart - IFFI and Stanton Partners - at the beginning of this year took that process from the hands of these lending institutions and decided to do it in a different way. Lo and behold, a company called Donbar Holdings Pty Ltd was given the job by Keystart management of overseeing, supervising and conducting the work of cleaning, repairing and restoring these repossessed homes ready for the market. Approximately 100 homes were taken from various institutions and handed over to Donbar for restoration.

There is nothing exceptional in that until one considers the directorships of Donbar Pty Ltd. It appears from the documents that, oddly enough, one of the directors of IFI is also a director of Donbar Pty Ltd. On that basis it would seem that we have another potential conflict of interest. A company that is contracting to Keystart is affiliated and

associated within the terms of the Corporations Law with a company to which it is allocating all the work for the restoration and repair of these homes. It is even more alarming when one hears the evidence that is now being considered that this company approached various contractors. I can present the experience of one contractor who has traditionally done this work for various building societies. This contractor was approached and asked to tender for the restoration of a number of homes, which he did. These jobs tend to be about \$5 000 to \$7 000 a home. This contractor was then contacted by a gentleman from Donbar Pty Ltd who told him to add 10 per cent to his contract price. He was told that 10 per cent would be retained by Donbar Pty Ltd, and if he did that he would get the job. If those allegations are true they are a serious charge of fraud against Donbar Pty Ltd. I hope to obtain information from the Minister on this.

What is more worrying about these allegations is not only that a company is ripping off the system but also this company is associated with the people who are managing for the Government this large, important and very lucrative scheme. The tangled web that the Opposition had previously sought to set out in this place has taken an even more tortuous path.

Dr Hames: Have you referred that matter to the police?

Ms MacTIERNAN: I understand that this matter has been investigated by various police officers and consideration is being given to laying charges. Bernie Iriks and Christopher Porteous may be the investigating officers.

I am raising this issue in this forum because not only is a subcontracting company ripping off the system but it goes right to the heart of the integrity of the management of the Keystart scheme.

The DEPUTY SPEAKER: Is the Keystart scheme part of the Treasurer's Advance Authorization Bill?

Ms MacTIERNAN: It may not be, so I will conclude my remarks.

The DEPUTY SPEAKER: I ask members to stay within the terms of the Bill. I know that has not been the practice today.

MR CARPENTER (Willagee) [9.04 pm]: That is an interesting ruling because earlier the Acting Speaker (Mr Barron-Sullivan) made a ruling in the opposite direction and allowed some discretion for the member for Pilbara to talk about button pressing.

The DEPUTY SPEAKER: I will allow members some leeway, but not a lot.

Mr CARPENTER: The purpose of the Bill is to make payments of an extraordinary or unforeseen nature in anticipation of, or in addition to, the relevant appropriations by Parliament, with such expenditure to be charged in that financial year to the consolidated fund and to be subsequently submitted to Parliament for appropriation from the consolidated fund; and to make advances, on such terms as the Treasurer thinks fit, for the temporary financing of works and services of the State or to officers of public authorities including advances to public authorities; to accounts forming part of the trust fund, or for the purchase of stores.

According to the second reading speech, additional funding from the Treasurer's Advance is also required to meet additional expenditures in Health, the Ministry of Justice and the Police Department, which members will agree is substantial expenditure. I will submit some arguments for other areas of government spending to be included in the categories contained therein - namely my shadow portfolio of Disability Services. I link an area of disability services to Health and its budget, to which I would like to have seen more money allocated. Perhaps an allocation may be extended from the additional resources allocated to the Health Department. I refer to people who have acquired brain injury. Mr Deputy Speaker, you may have had contact with people in your electorate who have a family member who has been injured in a car accident or through some other misfortune and has acquired brain injury which affects the person's intellectual capacity and the capacity to make a judgment and, therefore, the person is unable to carry on the lifestyle enjoyed prior to that misfortune.

Many hundreds of people with acquired brain injury in this State have fallen into the gaps in funding between the Health Department, psychiatric services and the Disability Services Commission. Unfortunately many such people end up in two categories - either they become perpetrators of crime because their capacity for judgment is substantially decreased and they cannot distinguish between what is legally right or wrong, or they become victims of crime and are preyed upon by people who think they are easy targets. Often people with acquired brain injury find themselves in the justice system - and this Bill makes an allocation of \$25m to the Ministry of Justice.

I do not know the exact number of people in the justice system - that is, the clients of the justice system; the prisoners who would fall into the category of people with acquired brain injury - but many of them should not be in gaol. One need only read some of the local newspaper reports to discover that often crimes are committed by people who, due to acquired brain injury, have lost the capacity to make judgments regarding illegality. Many families have contacted

my electorate office in Willagee to speak to me in my capacity as opposition spokesman for Disability Services. These people are extremely distressed about the lack of support provided by the Government for the family, and the family member who has acquired the injury, and the subsequent circumstances in which they find themselves. Many people are in various prisons around the State and some people end up in Graylands Hospital.

Neither the Minister for Disability Services nor the Minister for Justice is in the Chamber tonight. However, I urge both Ministers and their various departmental officers to consider the situation of people with acquired brain injury, because that affliction causes great hardship and tragedy to numerous families in Western Australia. The injury is an unfortunate affliction that affects all stratas of society, from the extremely wealthy to the almost impoverished, and no family can cope without support because the requirements for a change in lifestyle as a result of the injury are massive. People do not anticipate this sort of an outcome in their family circumstances, and the vast majority of people are completely unskilled and poorly able to cope.

Let us go to the budget for Disability Services. The amount being allocated to provide support for people with disabilities is minimal. People with an acquired brain injury find themselves unable to access any money in a general sense from the Disability Services Commission because they do not fit the criteria, nor do they fit the criteria for psychiatric services within the Health Department. They are left in this no man's land between any government agencies that may be able to help them. They rely substantially on family support or any voluntary non-government organisation that might pick them up.

I now turn to the amount available in Disability Services to help those living in the community, not in hostels, and who are trying to do their best with the little support -

The DEPUTY SPEAKER: I remind the member that we are not dealing with the Budget; we are dealing with the Treasurer's Advance Authorization Bill. Although I am tolerant of what the member is doing, I remind him that he is referring to the budget papers.

Mr CARPENTER: I do not know whether you were paying attention to what I was saying, Mr Deputy Speaker.

The DEPUTY SPEAKER: I was.

Mr Court: You are referring to something in the Treasurer's Advance Authorization Bill now, but the two previous matters were not.

Mr CARPENTER: I am doing my best to fulfil the very narrow and punishing requirements that are being placed upon me.

The DEPUTY SPEAKER: I have not got narrow yet. When I do, the member will know all about it!

Mr CARPENTER: I will take that on board, Mr Deputy Speaker. I have been dealing with people trying to put me in different boxes for a very long time.

The second reading speech states that additional funding from the Treasurer's Advance is also required to meet additional expenditures in Health, which ministry I have just touched on, in the Ministry of Justice, to which I also just referred, and the Police Department, which I have not previously named. Obviously, one finds oneself in the Ministry of Justice via the Police Department. I think I am pretty well on the money so far.

The Disability Services Commission has a fairly minimal amount of money available for the general protection and assistance of people in the community with a disability - not a profound physical or intellectual disability: These people are easily categorised and generally are able to access some sort of help - who need a variety of lesser services to maintain their quality of life.

The stated proposed outcome of the Disability Services budget is to enhance the wellbeing of people with disabilities and their carers by the provision of necessary supports and services. The fifth output relates to health and individual development. The total cost per person per annum receiving the service for this year is \$2 774, a minimal amount. The Disability Services Commission sets the target and then measures how well it has done in meeting it. Under the heading "Quality" it gives the figure of 90 per cent as the percentage of consumers satisfied, the same percentage as it gave last year, and that it gives to every other category in its budget. We have a problem with not only the deficiency in funding, but also in the way the effectiveness of the funding can be measured, despite that we are now told that the Budget is outcome based so we can measure effectiveness.

In this budget format, the same agencies which set the target, measure the success in reaching that target. For a person dealing at a professional level, and less professional level, with state and occasionally federal budgets for about 11 years, it is difficult to ascertain what is going on in the budget papers this year. One cannot see where and how the money is spent. One gets a measure of the departmental view on how effective the spending has been, but one cannot make that analysis oneself. It is a grave deficiency in the budget papers.

In earlier debate, the Treasurer said that in previous years the papers indicated how much was spent on each pencil and piece of paper. He was right. As part of my research for this Budget, I went back to 1978 and worked through the budget papers. Vast changes have occurred in the presentation of information over those years. It has become far more sophisticated and a lot more gloss is placed on budget presentation than was the case 20 years ago. However, I am not sure that we are more advanced in our understanding than was the case 20 years ago. Back then, one could view the precise detail on what the money was spent, but now the papers are confined to the supposed outcomes of the spending. A marriage of the two extremes is required somewhere along the line. We should not need to wait for estimates to be released, but more detail should be placed in the budget papers indicating where and how the money was spent. We could then take the next step to make a decision on how the department has judged its spending, and the success of the spending. However, we would still face the problem we confront here: The agency sets the bar and then tells us whether it has jumped over the bar.

As the member for Burrup pointed out, the Ministry of Justice sets a target of 55 escapes. What point is there in setting 55 escapes, when the target should be zero?

Mr Court: If you got up to 35 -

Mr CARPENTER: We would have had a great year! If they were too far from the target, they would let a few more out to keep the budget for next year. Otherwise, the money will not be needed because of too few escapes.

Mr Court: Except in the Wyndham prison. When it opened, I asked them why the doors were not locked. They said that they lock them only at night because they found they had more people in the morning than when they started at night!

Mr CARPENTER: Those circumstances no doubt arise from time to time.

Mr Court: They were more than meeting their performance target.

Mr CARPENTER: I am running out of time.

I present a picture of large groups in different categories in the community who come into contact with the Health, Police and Justice portfolio areas and who are not adequately dealt with by the departments. Some of them are not dealt with at all because they do not fit into the categorisation required before money can be spent on them. The money that is spent on these people is deficient. It is very difficult for people like members of Parliament, who are outside the departments, to look at the budget papers to decide how effective the spending has been.

We can open Budget Statements, volume 1, page 316, and see that the measure of effectiveness is 90 per cent; page 317, measure of effectiveness, 90 per cent; and on page 318, under a different category, measure of effectiveness, 90 per cent.

This simply defies credibility. How are they making these judgments? Who is making them? What sort of standards are they setting? The Treasurer, Treasury officials and different people in the departments should have a look at this style of presentation. I know that we have the capacity in the Estimates Committee to burrow in and say, "Let us go down the Budget line by line and you tell us how this money is being spent." I also have responsibility the portfolio area of sport and recreation, which has a fairly considerable budget of approximately \$25m. I have an hour in the Estimates Committee to try to analyse the responses of the member for Dawesville to find out how the money in sport and recreation has been spent. It is quite difficult. I am not being critical of the member for Dawesville, but he provides a fair bit of extraneous information, one might say. When we ask questions, he tends to colour the story a little. If we are relying on only that one hour per year to be able to go through a document and ask for a break down of where the figures are being applied, it is very difficult to get any sense of effectiveness out of it. There is a deficiency in this concept of budget presentation. It would be good if that could be addressed. I will just refer -

Mr Court: I thought you were about to refer back to the Treasurer's Advance Authorization Bill.

Mr CARPENTER: I will read another paragraph from it in a moment.

A group of people in Kalgoorlie fit into the category of people who have a psychiatric illness, acquired brain injury and so on. Many of them are Aboriginal people, who it seems to me are almost totally left out of the budgetary process for disability services and the capacity to help them so that they do not fall into the Health Department or Police Department and therefore end up as clients of the Ministry of Justice and so on to this terrible treadmill that so many people, especially those in deprived circumstances, end up being on.

In the whole of the goldfields area there is one respite facility for people with a disability. I visited it a few weeks ago. It looks like an old hospital building in Burt Street, Boulder. It is the kind of facility one would have expected people with a disability to have been provided with earlier in the century, certainly not in this modern era. People

in that region who have a family member with a disability are simply unwilling to take that person to that centre and leave him there. Some 20 or 30 years ago that might have happened; people might have just dropped off a person with an intellectual disability or an acquired brain injury and left him there for a couple of days in dormitory style accommodation. It is a very cold, draughty, place. However, expectations have changed dramatically.

There is almost a total absence of physical support for people with an intellectual or acquired brain disability in the goldfields. As far as I can make out from people who have some involvement with this facility via an organisation called the Goldfields Individual and Family Support Association, the facility is owned by the Disability Services Commission. The location is quite large and valued at about \$250 000 to \$300 000. They are urging the Disability Services Commission to sell the property and use the money to reinvest in another property in Kalgoorlie-Boulder in order to provide a modern, comfortable, welcoming facility for people with a disability and their families, so that they can access the facility.

May I seek a short extension, Mr Deputy Speaker?

The DEPUTY SPEAKER: The member may have an extension. I will become stricter with the next speaker.

Mr Riebeling interjected.

The DEPUTY SPEAKER: I can do exactly as I wish, and I will. Although the member is telling a very interesting story, I am sure that the Treasurer's second reading speech mentioned nothing about the allocation to which the member is referring. We must reflect what was mentioned in the second reading speech. That is the only indication we have for the allocation of funds.

Mr CARPENTER: I suggest that if the Disability Services Commission is unwilling to provide money for the provision of emergency accommodation or a respite facility for people in the goldfields area with a disability, be it physical or intellectual - and there are many - I urge a more cross government approach to this matter. Some of the money allocated to other agencies which deal with people in this predicament - namely the Health Department, the Police Department and/or the Justice Department - perhaps via this Treasurer's Advance Bill, could be set aside for the provision of a suitable facility of the kind that I have described in the goldfields. I do not think that is too much to ask in an area the size of the goldfields which has a very large number of people who have a disability.

Members would be surprised at the number of people in the goldfields who have an intellectual disability, an acquired brain injury or in some cases a physical disability. I believe more than 200 people fit that category in that small area, and all have family members. Therefore, more than 1 000 people might be affected. I do not believe it is asking too much for some sort of financial facility to be found for the provision of their needs. If that can be done, via the Disability Services Commission, the Minister for Housing's department, the provision of Homeswest - which it has done with some success in other areas - or via the budget for these three other departments, that would be an admirable and welcomed addition to the capacities and facilities provided by the State Government for its citizens.

MR RIEBELING (Burrup) [9.28 pm]: I too wish to make a contribution to this debate on the Treasurer's Advance Authorization Bill. I wish to say a few things in relation to the actual Bill - I do not know why the Deputy Speaker directed us to refer to the second reading speech; I am more interested in the Bill.

The DEPUTY SPEAKER: That is the explanation of the Bill and I imagine the reference should be to the speech.

Mr RIEBELING: I understand that but there are items mentioned in the second reading speech that are not mentioned in the Bill. Even the Treasurer in his second reading speech to this Bill mentioned items that are not specifically mentioned in the Bill. In my view, we have the ability to try to work out what is in this legislation.

The DEPUTY SPEAKER: The member had the opportunity of asking questions and the Treasurer usually tries to respond to them.

Mr RIEBELING: That is what I will endeavour to do. The two areas I wish to cover are the allocations of \$45m to the Health Ministry and \$25m to the Justice Ministry. However, before I do that, there are some significant changes in this legislation to previous legislation of a similar nature which I hope the Treasurer will be able to explain. The Leader of the Opposition mentioned in his speech that this process was once used to catch small allocations that were missed in the Budget; this process was used as a simple method to pick up those small amounts. We are now talking about exceptionally large amounts of money.

In the second reading speech and in the document the Treasurer increased the limit to \$300m, which is an exceptionally large amount. It says the purpose of the money to be advanced is for various actions of government including temporary financing of works and services and the like.

One of the things I wish the Treasurer to advise me of is the effect of clause 7 of the Bill where the limit goes up by

\$350m, which is an exceptionally large increase in one jump. As the Treasurer's second reading speech indicates, a few Budgets ago it was actually reduced to \$200m, if I read the Treasurer's second reading comments correctly. Now we see a \$350m increase presumably in the limit to which -

Mr Court: No. The last increase was in 1989-90, and that was under the member's Government. It was increased from \$200m to \$250m.

Mr RIEBELING: That is right.

Mr Court: It was reduced to \$200m in 1991-92.

Mr RIEBELING: That is right, but now it has going up by -

Mr Court: \$100m.

Mr RIEBELING: Is it?

Mr Court: This year the extra \$244m is largely from the gas pipeline sale. That is a one-off.

Mr RIEBELING: Next year that \$550m will be reduced?

Mr Court: Yes.

Mr RIEBELING: Perhaps the Treasurer will be able to explain that fully in his response.

I wish to speak to two allocations.

[Quorum formed.]

Mr RIEBELING: I refer specifically to the allocation in this Bill of \$25m for the Ministry of Justice. It begs the question: Why did such a large oversight occur in the ministry's 1997-98 budget? One reason may be the confusion over how many prisoners are in the prison system and how many are likely to enter the system over the next 12 months. Perhaps we should examine the figures on which the Minister for Justice based the promises he made in March this year. On page 500 of last year's budget papers, which are somewhat easier to read than the papers for this year, the actual figure for the daily average muster for the 1996-97 financial year is 2 237. It was estimated that the following year, that number would go down by 37, so we would have 2 200 prisoners in our system for 1997-98.

On 25 March this year, the Attorney General, armed with all the information and knowledge of the Ministry of Justice, said that there were 2 140 prisoners in the system; so in a year, the number had decreased by some 60 prisoners according to the Attorney General of Western Australia. He said also that each year, the number of adult offenders in our system would increase by 100. Those figures, which were based, presumably, on the previous year's Budget, were either absolutely incorrect or the Attorney General misled the people of Western Australia.

The Minister for Justice has told us that we will get 100 extra prison beds in this Budget. A lot of people are hoping that the \$25m that has been allocated will be for increased bed numbers. The Attorney General promised in that press release that 350 beds would be provided in the next 12 months. I thought that if 100 beds cost \$2.9m, surely around \$7m of that \$25m would be used to increase the number of beds in our prison system. However, the problem with prison bed numbers in Western Australia is that the Minister has stated that 2 250 prisoners are in our prison system this year, and that by the end of next year, that number will be 2 302. Last year, we were told that this year there would be 2 200 in our prison system, and this year we are told that that actually increased to 2 250. The year before, there were supposed to be 2 237, and next year there are supposed to be 2 300. However, the Minister said only two months ago that there were 2 140.

If the department was listening to the Attorney General - and I hope no-one else in the State is - one could understand why there was such a large discrepancy in the amount of money that has been allocated to the Ministry of Justice to provide additional beds, because on these figures one would not know whether there were in excess of 2 300 prisoners in our prison system or only 2 100. The cost of providing 200 beds equates to about \$7m in expenditure and maintenance of that system.

I turn now to the allocation of \$45m to the Health Department. That is a substantial amount of money, but in the context of the total Health budget, it is not such a huge amount.

As a country member you, Mr Deputy Speaker, will appreciate what I am about to say should happen to some of that \$45m mentioned in broad terms in the Bill and specifically in the second reading speech. Most Western Australians hope the money will be directed towards the nurses but, from what the Treasurer has said over the past week or so, that seems doubtful.

I think the money should be directed to country services as much as possible, so that people living outside the metropolitan area can enjoy the same level of services, especially for their children, that city people take for granted. I will give two examples of incidents in which the situation could have been different had extra resources been allocated. I hope the Treasurer's Advance will allow extra resources to go to the Pilbara or the north west health services.

In one case a pregnant woman, Mrs Watts, who resides in Karratha, needed an emergency caesarian section on 26 March of this year. It was carried out at the Nickol Bay Hospital in Karratha. At the time her local GP advised that because of the nature of the birth and the condition of the child, it would be in their best interests to get to Perth as quickly as humanly possible. A specialist surgeon attached to the Royal Flying Doctor Service came to Karratha to perform the caesarian section. He then had to go to Port Hedland and, because he was tired, probably from overwork, he decided that the child should go to Port Hedland with him without the mother. Her local GP had already booked the child into the King Edward Memorial Hospital. Unbeknown to Mrs Watts' doctor, the RFDS specialist surgeon transferred the child to Port Hedland Regional Hospital. Because of financial constraints, the mother was not transferred from the Nickol Bay Hospital to the Port Hedland Regional Hospital. After the caesarian operation she was encouraged to discharge herself from the hospital, in a much weakened condition, for her husband Kevin to drive her to Port Hedland, 250 kilometres away. She was told that she would be admitted to the Port Hedland Regional Hospital when she arrived there. That did not happen. She was told at Port Hedland that she could not be admitted to the hospital but should go to the hostel accommodation close to the hospital. On 28 March, two days after the birth, the baby's condition deteriorated and, as a result, the mother was admitted to the hospital.

The baby's condition continued to worsen, so she was transferred to Perth. The father, who had accompanied his wife and baby to Karratha, was denied transport to Perth with them. He had to arrange an emergency flight with Ansett Australia. Fortunately, in Karratha, the North West Manager of Ansett, John MacGowan, has a degree of flexibility with emergency flights and the baby's father purchased a return ticket to Perth for \$400, which helped a great deal. This couple is not financially well off. The baby's father was accommodated for two nights in a special unit at the hospital. Fortunately, that did not cost him anything. After two nights the hospital had other priorities and he had to find other accommodation. The baby's doctor in Karratha had said that because of the nature of the emergency he would receive assistance from the patient assisted travel scheme. However, he had to pay two nights' accommodation at the Mount Lodge, which is not luxury accommodation. He then returned to Karratha and lodged his claim for compensation through the PAT scheme. It was rejected in full by the Nickol Bay Hospital, which advised him his claim did not fall within the guidelines. I have referred this matter to the Nickol Bay Hospital to try to resolve the PATS issue.

The pressure under which hospitals are working in the north of the State and presumably in other country areas of Western Australia is such that the PAT scheme is not doing what is designed to; that is, to assist people in crisis. In many cases it is a hindrance. People expect the PAT scheme to assist them and are disappointed when it does not. I hope that a portion of that \$45m can be allocated to ensure that people in the north of the State especially are able to access PATS.

Another young girl in my electorate is currently being affected by the lack of funds in our health system. She is a bright, six year old girl with serious bladder problems. I do not know a great deal about this problem, but the surgeon uses the term "category 5" bladder problem. This requires a specialised surgical procedure which involves changing the entry point to the bladder and removing part of the bladder. This young girl has had a number of attacks and the specialist says that one more attack will mean permanent and irreparable damage to her bladder, and until she undergoes major surgery she will be very sick. Her parents are keen for the operation to be performed before another attack occurs.

A further complication is that this young girl's mother is about six months' pregnant at the moment. The Princess Margaret Hospital for Children has said that she will be admitted to hospital some time in July. She was listed for April, but the operation was cancelled due to industrial action. Unfortunately, mother and child will not be able to travel together due to the mother's advanced pregnancy. I have contacted three people, including the local GP who has confirmed the urgency of the matter, and Dr Barker, the specialist in Perth, who said that he can perform the operation that is required but he is being denied access to the operating theatre at Princess Margaret Hospital because of budget cuts.

If necessary, I will bring in some photographs of the young girl to shame the Government into action. The surgeon possesses the necessary skills to do the operation. The hospital is equipped to deal with the operation, but it has indicated to the doctor that he cannot do the operation because the hospital does not have sufficient funds to operate the theatre. If, for any reason, this young girl suffers another attack, we can blame the Health Department and this Government, because insufficient money has been allocated to allow this important operation to be carried out on this very young Western Australian. She deserves better than this; she does not deserve to suffer continuous pain;

and she should not be forced to wait an inordinate time for this operation. The surgeon has the necessary skills, the time and the expertise but he cannot get to the equipment because the hospital has not been funded sufficiently. No hospital in Western Australia should accept these funding cuts.

Adults can fight for themselves, as can hospitals, but little kids cannot. I urge the Treasurer to reconsider the allocation of the \$45m, and to perhaps increase the allocation to Princess Margaret Hospital for Children to allow both country and city children to be operated on by the expert surgeons who are willing, able and waiting.

MR BROWN (Bassendean) [9.52 pm]: I wish to make a few observations about this Bill. A number of matters have been raised by the Treasurer in his second reading speech, and it is appropriate to respond to them. The second reading speech states -

The main factor giving rise to the need to increase the limit by \$350m is the transfer of \$244m from the consolidated fund to the state development fund trust account.

I understand that the trust fund account was established for a number of capital works projects. I understand that part of the moneys allocated to the fund are for the Jervoise Bay project. Why were those funds not allocated to the Commerce and Trade budget? I understand, from my reading of the Budget Statements, \$80m will come from the Federal Government - of which \$20m will flow into the 1998-99 financial year, and \$60m the following financial year - will go to the Jervoise Bay project and has been allocated to the Commerce and Trade budget. The State's contribution to the Jervoise Bay project is not so allocated. Why has the future allocation not been made?

I raise this matter because it has been referred to in the Treasurer's second reading speech. That raises some questions about the way in which the Government chooses to operate. It is not clear whether the device of not placing that money in the Commerce and Trade budget is a means of ensuring that the Treasurer rather than the Deputy Premier maintains control of that resource and where the interest on the allocation of those funds will be placed. Why is it necessary to place this device in this Bill established for that purpose?

I am keen for the Treasurer to indicate why that mechanism is being used, rather than a normal mechanism, such as the allocation of the funds shown in the budget papers for the departments that are dealing with them. The developments at Jervoise Bay fall within the province of the Department of Commerce and Trade and, therefore, are under the control and guidance of the Deputy Premier. In those circumstances, I cannot understand why a leash is being put on the Deputy Premier by the Treasurer. In recent years the Deputy Premier has been prudent with the funds for his department. The Budget Statements show expected cash assets for the department at the end of the financial year of \$21m. We know there was substantial underspending last financial year and it seems there is a reasonable degree of underspending in the department's budget allocation this financial year. I seek an explanation from the Treasurer of why this is necessary.

Mr Court: Are you saying that the Jervoise Bay fund is part of the \$244m?

Mr BROWN: I am saying that money from the sale of the pipeline has been allocated to various projects, the convention centre and so on. One area in the budget papers - it may be under Ministry of the Premier and Cabinet - talks about the convention centre and various bits and pieces for which money is set aside; however, there is no allocation in the budget papers under the Department of Commerce and Trade for the Jervoise Bay projects, other than the \$80m coming from the Federal Government.

Mr Court: Over a couple of years there is \$123m.

Mr BROWN: It is not in the allocation for the Department of Commerce and Trade. That is why I am asking the question. On page 206 of the Budget Statements under administered transactions, there is an allocation for this year for three projects of -

Mr Court: It is on page 206 of the budget papers.

Mr BROWN: I have that.

Mr Court: It has the whole lot there.

Mr BROWN: In the allocation for this year -

Mr Court: It has nothing do with the Treasurer's Advance.

Mr BROWN: It seems to me that this money relates to the Treasurer's Advance.

Mr Court: It is spelt out for you on page 206.

Mr BROWN: A figure of \$20 058 000 is indicated. The other figure of income from receipts and other areas is

\$20m, which I understand comes from the Federal Government. It indicates the total estimated cost to be \$160m, plus \$20m, plus \$23m, and so on. At page 204, under operating activities, and receipts from appropriations, receipts from grants and subsidies, the income for the 1998-99 financial year is \$20m. I assume that the \$20m is part of the \$80m promised by the Federal Government. The \$20m and \$60m are shown for the following financial year.

Mr Court: I do not have it in front of me, but over the four years the \$80m will come through, and we put out \$123m.

Mr BROWN: Sure.

Mr Court: What does that have to do with the Treasurer's Advance?

Mr BROWN: The total amount of those funds coming from the State were not allocated to the Commerce and Trade budget. As the Treasurer said in his speech, it is not coming from that area. I accept that that is the case. It seemed that the budget papers were prepared on the basis that the money was coming from that portfolio.

I turn now to Health. The Treasurer said in his speech that additional funding is required from the Treasurer's Advance to meet additional expenditure, and Health is a measure listed. What is the Government doing to overcome the deficiency with health funding? Payment is necessary though this Bill. The Treasurer tells us in Parliament repeatedly that the Government is doing what it can to make representations to the Federal Government to obtain additional health funding.

The State Government has had a number of fights with the Federal Government over a number of funding issues. However, it seems to treat those fights differently depending on whether a Liberal Government or Labor Government is in power federally. For example, when a Federal Labor Government was in power, a major fight arose between the State Government and Federal Government over road funding. The State Government kicked in a great deal of money to the so-called Fix Australia, Fix the Roads campaign. A recent answer I received from the Minister representing the Minister for Transport indicates that this Court Government has spend \$1 155 000 on the Fix Australia, Fix the Roads campaign. Therefore, over \$1m of taxpayers' was used to put pressure on the Federal Government to extract extra funding. Taxpayers' money was used for political campaigning.

It is interesting to look at the way the funding was used. In the 1995-96 financial year, the last of the Keating Government, \$72m was allocated to roads in this State. The following year, in the first Budget of the Howard Government, an amount of \$68m was allocated. Therefore, a drop of \$4m was experienced. The state campaign was operating, with the Government spending \$1m of taxpayers' money, yet the first Budget brought down by the Howard Government had a \$4m drop in road funding for Western Australia.

How did the Fix Australia, Fix the Roads campaign react? One would think the Government would inject more money into the campaign to gear up political pressure on the Federal Government. Let us have a look to see what happened with this campaign. In the eight months of the 1995-96 financial year when the Keating Government was in power, the State Government spent just under \$200 000 on political advertising. It was spent on big television campaigns with big advertisements on prime time television, telling everybody what a lousy Federal Government it was and that people needed to put a great deal of pressure on it to get more money for Western Australia because of how badly WA was faring. In March 1996 there was a change of Federal Government.

In May 1996 we had the new Howard Budget, which chopped \$4m off the money that was due for Western Australia. What did we then find? Did we find a gearing up of the publicity campaign and the Government getting into gear, pumping up its campaign, putting on the television advertisements and really getting stuck into the Howard Government? When we look at the allocations to the Fix Australia, Fix the Roads campaign, we find that very little money was spent. When I asked the Minister about the publicity and the political campaigning that was done after the federal election and after the Howard Government had chopped campaign funding, he said that the State Government had made submissions to the Vale inquiry into federal road funding. That would scare the Federal Government to death! The State Government had set up information booths at the national assembly of the Australian Local Government Association. That is frightening! That no doubt would get the Federal Government paying more money! It had campaign meetings in Queensland and South Australia. We can imagine a few of the Turks going to those meetings. That would scare the Federal Government to death!

There had been some advertising by the State Government. After the road funding was slashed, it spent \$46 000 on newspaper advertising. We must bear in mind that \$200 000 had been spent on high profile advertising when the Labor Government was in power. We asked for the advertisements. I conducted a search and I have here the advertisement. This will scare members to death! This advertisement appeared in the international pages at about page 18 of *The West Australian*. I am sure that everybody reads the international pages of *The West Australian*! Right at the bottom of the page was a little advertisement about road carnage. It read that in the previous year the Federal Government raised \$8b in petrol tax from us poor suffering motorists. It gave \$1.5m back for roads - big deal! It read that the shortfall was having a devastating impact on the State's road toll. It advised people to write to

their federal member and get him or her on the case. This is pretty devastating stuff; one would be really worried if one were the Federal Government; one would be shaking in one's boots!

It gets even better. The State Government did not want to do too much damage to the Federal Government in Western Australia, so it decided to spread out the advertising a bit. The taxpayers of Western Australia were financing this. Do members know where the Government advertised? It put an advertisement in *The Courier-Mail*, *The Advertiser* in Adelaide, *The Sydney Morning Herald* and even the *Northern Territory News*.

This campaign that we are running to scare the Federal Government to death - what a joke! Yet what do we find here? What do we find now in relation to the Parliament today? The Treasurer comes into this House and says, "Look, we need another \$45m for hospitals. The Federal Government is to blame and we need to do something about it. We are talking to the Federal Government and we are asking it to pay more money." I ask, where is the publicity campaign? Where are the advertisements on the television getting stuck into the Howard Government? Where are the bumper stickers on the back of cars? Where are all those good taxpayers' dollars that the Treasurer and the Minister for Transport said were a good investment for Western Australia? Where is the political campaign? Or is it true, as the Government would seem to have us believe, that hospitals are not as important as roads? After all, if one studies this information, one can see how taxpayers' funds have been used for blatant political purposes.

[Leave granted for member's time to be extended.]

Mr BROWN: If the Government had any consistency in this matter, it would be gearing up now; it would be finding the \$300 000 or \$400 000; it would be putting the advertisements on the television; it would be getting stuck into the Howard Government on hospital funding; it would be putting the advertisements in the paper; it would be putting bumper stickers on the back of cars; it would be doing all of that.

Mr Bridge: Do you want to know the answer why one campaign is having money spent on it and not another?

Mr BROWN: Yes.

Mr Bridge: Because the media are not interested in roads but they will print anything on hospitals. You do not need to advertise for hospitals.

Mr BROWN: Given the way the Fix Australia, Fix the Roads campaign was run, we can say it was blatantly political, from start to finish. There was no consistency in it. We had the Fix Australia, Fix the Roads campaign while Labor was in power federally and also when the conservatives were in power federally. There is just no similarity between the two. Where are the high profile television advertisements on road funding?

Mr Bridge: The member for Bassendean just read out some of the media advertisements.

Mr BROWN: These are on page 18 of *The West Australian*. People are not exactly glued to the international pages of *The West Australian*. There is no television campaign on this matter. It is as dead as a dodo. Why? It is as dead as a dodo because the State Government does not wish to use taxpayers' funds to campaign against its friends in Canberra. However, it was very happy to use taxpayers' funds to campaign against Labor in Canberra. It was very happy to see hundreds of thousands of dollars spent on blatant advertising in order to advantage the conservatives in this State.

If people were serious and really did think that political campaigns of that nature would work, that if there was a genuine belief that the Minister for Transport was correct in running that sort of political campaign against the Federal Government in relation to roads, then the minimum we would expect to happen would be a similar campaign, or a more vociferous campaign, run on education and on hospitals. Of course, it will not happen, not because it is not worthwhile but simply because of the politics of this Government. It does not want to run that campaign because although it might bluster about the Federal Government, saying how bad it is and how much it wants more money, the State Government is not prepared to put its money where its mouth is; it is not prepared to campaign on the issue; it is not prepared to advertise; it is not prepared to use taxpayers' money in that way.

The extent to which that is not done means that the hospitals and health system will be pressed and we will see more potential requirements outlined in the Premier's second reading speech seeking additional funding for Health. It is duplicitous of the Government to have wasted funds that could have been used for better purposes.

It is obvious that those valuable taxpayers' funds have been used for blatant political purposes rather than to advance the interests of ordinary Western Australians.

The ACTING SPEAKER (Mrs Holmes): I remind members that we are not discussing the Budget; we are dealing with the Treasurer's Advance Authorization Bill.

MS ANWYL (Kalgoorlie) [10.15 pm]: Three portfolios are seeking additional funding from the Treasurer's

Advance: The Department of Health, \$45m; the Ministry of Justice, \$25m; and the Police Department, \$15m. I refer first to health. Some time ago in Kalgoorlie-Boulder a task force, announced by the Premier, examined a variety of issues headed by a couple of chair people, both of whom have a good history of being involved in issues in Kalgoorlie-Boulder. One of the recommendations of the task force was that some improvement should be made to the mental health services in the goldfields region.

No comments were made about Aboriginal health notwithstanding that many of the Health budget resources are focused on Aboriginal health in the goldfields. The current budget papers remind us that despite best efforts at a state and federal level, the gap between Aboriginal and non-Aboriginal people has increased in a number of areas, some of which are mentioned on page 544 of the Budget Statements. The main incidences of disease are circulatory and respiratory. Particular mention is also made of injury, poisoning, alcohol and other drug abuse. That fits in nicely with another recommendation made by that task force in 1997; that is, the need for an alcohol and drug rehabilitation facility in Kalgoorlie-Boulder.

The three areas that sought advanced additional funds - Health, Justice and Police - have one area in common; that is the moneys expended to deal with drug and alcohol problems. Although estimates vary, up to 70 to 80 per cent of all crimes have some interrelationship with alcohol or drug use. Many of the Ministry of Justice funds are expended on offenders and that type of statistic will apply to a prison population.

A significant amount of money from the Police budget is spent on operational police duties that revolve around either disturbances related to alcohol and other drug abuse or the clearing up of largely property crimes but which appear to have their genesis in the need to obtain funds to purchase illicit drugs particularly, but also alcohol. I will give an example. In my community last week, the sentencing of a 19 year old man caused some controversy. That related to an assault by two young men, one of whom is still a juvenile, on two elderly gentlemen who were having a card game, where they were robbed of some money. I am told that the motive for the robbery was largely the need for the juvenile to obtain some cash to pay off his drug debt. That may not have been the motive for that crime, and I acknowledge that is just one explanation for what occurred and may not be the true explanation. However, that juvenile was 16 years old. The question that the community needs to ask is why do we have 16 year olds who have a perceived need to repay drug debts?

We can see from reports in the newspapers, on radio and on television that many of the violent and less violent but property-related crimes that are reported to the police have some interrelationship with the use of illicit drugs in particular. We also know that the current trend in drug use is towards poly drug use. In the old days, people were addicted to one drug, but that has changed now to some degree because many young people have the attitude that they will take whatever drug they can get their hands on, and that varies from time to time and often also includes the use of alcohol. We can see from the number of overdoses that have occurred from illicit drug use, particularly from opiates such as heroin, that it is rare for heroin to be the only drug that is used by that individual at that time. We also have quite a problem with the use of sedatives and with the black market use of what can be prescription drugs but which have not been obtained by prescription. Rohypnol is another drug which is frequently linked with the more serious violent crimes. I am told that one of the features of that drug is that the next day, the person who has used it has absolutely no memory of the events that occurred the previous day, and we can imagine the difficulty that can cause for the criminal justice system because it is difficult for people to show remorse if they have no understanding of what has occurred.

I say that because we are dealing with an extremely complex problem. About \$1.9m has been allocated from the Health budget to combat alcohol and other drug abuse. I understand that that money comes largely from federal sources, so presumably the \$45m advance that this Bill will facilitate will not form part of that amount.

Another serious health issue that we face as a result of illicit drug use in our community is the increase in the number of people who have contracted hepatitis C as a result of intravenous drug use. It is also important to note that one aspect of the criminal activity that is occurring in Western Australia is the use of blood filled syringes to rob people. That creates the potential for victims of crime to be infected with hepatitis C or, even more seriously, the HIV virus. It is important that we prevent the spread of those blood-borne diseases as much as possible. I could not find any mention in the budget papers of any allocation for that, but perhaps there is an amount. I saw an amount of \$2.4m for AIDS, but not a specific amount for hepatitis C. This State faces a potential epidemic of the hepatitis C virus. Statistics suggest there is an extremely high rate of infection among the prison population, and that between 70 and 80 per cent of prisoners who use intravenous drugs may be infected. It is not widely known among the Western Australian community that hepatitis C is much more easily transmitted than the human immunodeficiency virus. That matter should be given major consideration.

These issues impact particularly upon the electorate of Kalgoorlie. Kalgoorlie-Boulder has one of the highest rates of use of intravenous drugs in the State. I have recently been advised by senior police in the city that it may well have the highest rate of use in the whole of Australia. That frightens people because of the consequent risk of crime, and

the health issues related to use of those drugs. The statistics I have collected on an informal basis, from pharmacies that distribute syringes and hospitals that distribute them after hours, lead me to that conclusion. I have been given further figures, which are not yet public, that indicate Kalgoorlie-Boulder has the highest user rate of needles and syringes in country regions, followed by Mandurah and Geraldton. The statistics are frightening and, of course, the risk extends to children and adults who may stumble across needles and syringes in public open spaces. I am sure all members of Parliament have had contact from at least one person in their electorate who has come across a needle or syringe where it should not have been.

The pressure on the health system is incredible, but this Budget contains nothing to facilitate the rehabilitation of alcohol and other drug users in Kalgoorlie-Boulder. Nothing in this Budget will provide for the establishment of a specific illicit drug rehabilitation facility in that city. That comes in the face of statistics indicating it has one of the highest uses of injectable illegal drugs in Australia. I will not go into the reasons for that, but it is food for thought. Certainly, if the Court Government is not in a position to do something drastic about that statistic, the impact of allowing that extent of drug use to continue spiralling upwards will be even greater in a few years' time.

I make a couple of observations about the budget of the Ministry of Justice. In 1995-96 Kalgoorlie-Boulder obtained a Legal Aid Commission office which began with two solicitors. I am pleased it still has those two solicitors. Members have heard much about the legal aid budget over the past two years, ever since the commonwealth cuts to legal aid were made public. Three federal budgets have been handed down since those cuts were made. Western Australia did incredibly badly under the initial legal aid cuts. I refer to an analysis in *The Australian* newspaper of 4 May, which indicates that on a State by State basis Western Australia suffered a 34 per cent decrease in funding. In 1996-97 the funding decreased by \$12.55m, and in 1997-98 it decreased by \$8.25m.

The State's response to that has been to increase its allocation to the commission by 24 per cent. If one excludes this budget allocation, the commission was already 10 per cent worse off, and that required the State to top up the commission's budget with significant funds. The Federal Government's funding cut was 34 per cent. New South Wales was the next worst affected State with a cut of 24 per cent. Some other States and Territories - notably the Australian Capital Territory and the Northern Territory - benefited. The Northern Territory had no change in its federal budget allocation and the ACT received an increase of 3 per cent. To its credit the Western Australian Government has picked up a large part of that shortfall. However, the reality is that legal aid services in this State have not improved, because the State has had to find extra funds to top up the results of the federal cuts; whereas some other States and Territories are in a better position than they were previously. I have commented previously on the Attorney General's lack of lobbying on this issue and the figures speak for themselves on that.

I will mention some specific initiatives announced in the Budget Summary for the goldfields-Esperance region on the legal aid front. My information is that many people in my electorate do not receive legal aid assistance who certainly need it. To that end I have been working to try to establish a community legal centre in the town. That funding is available from the Commonwealth Government. I understand that two new centres were funded in the most recent Budget, one at Kununurra and one in the south west. I am not sure where, but I presume it will not be Bunbury, because it already has a centre. Unfortunately, Kalgoorlie-Boulder has missed out on that front.

A point in the Budget Summary refers to new legal aid contact centres at Southern Cross, Norseman, Esperance, Coolgardie, Leonora and Laverton. I was keen to find out more about these, so I made some inquiries. I am sorry to say that the new legal aid contact centres effectively mean that doors to rooms adjacent to court rooms will carry signs that say "Legal Aid Contact Centre". I do not think that translates into a great deal of benefit for the people in each of those towns who may need to see a legal aid lawyer. The reality is that resources for legal aid lawyers have not been increased at all. However, it is nice to know that the Government cares enough to put a few signs on doors and hence we have new legal aid contact centres.

Another new matter that was announced was a telephone duty lawyers' service to justice of the peace courts. Again, the same lawyers cover a huge area and it will be interesting to see whether they are able to provide that telephone service given that on many occasions those lawyers will be in court and cannot be drawn out of one court to give telephone advice for another. It is important to remember that only two lawyers provide this service to the whole of the goldfields-Esperance region.

Another point in the Budget Summary relates to the reintroduction of a community education radio program. That translates to 15 or 20 minutes a week on radio. That has been around for a long time. When I was President of the Law Society in the eastern goldfields I did that myself.

I will finish my comments on the Legal Aid Commission by saying that if the State had advocated a stronger position on those federal cuts, those state dollars could have gone to enhancing the service available in Western Australia generally. It is important to recognise that whatever Government is in power, the State Government has a difficult role with legal aid because of the distance and population spread in this State. We also know that an increasing

number of Western Australians live in poverty in both the city and the country, so one can assume that there will be more contacts for the Legal Aid Commission staff to deal with.

A number of issues relate to Kalgoorlie-Boulder, all of which fall within Health, Justice and Police. I welcome the budget allocation for the Aboriginal visitors scheme under the Justice portfolio. A couple of weeks ago an Aboriginal prisoner aged 44 died in custody. Inquiries are being undertaken so I will not say any more about the circumstances. Suffice to say that a death occurred in a cell. The role of the Aboriginal visitors scheme has been positive, and should be extended, in principle, to non-Aboriginal people. Many prisons are overcrowded, yet in country areas, assistance is not provided in a formal way to prisoners who may be suffering severe difficulties.

Calls have been made for drug treatment services to be expanded in prisons. In Kalgoorlie-Boulder there are many illicit drug users. Also, people are apprehended coming across the South Australian border, and end up in cells in Kalgoorlie. Often they are young men from the eastern States who do not have any family support in this State. There is a need for a service of some kind, similar to the visitors scheme, to ensure that we minimise the risk of death or suicide in custody.

I was also very concerned to note the reduction in the allocation to the victim support budget.

Mr Court: This is interesting, but we are talking about the Treasurer's Advance Authorization Bill.

Ms ANWYL: I do not think that will resolve this issue.

The ACTING SPEAKER (Mrs Holmes): Order! The member should address the Bill, not the Budget.

Mr Day: The member is wasting time.

Ms ANWYL: I do not think that I am wasting time.

The ACTING SPEAKER: Order! The member should address the Bill.

Ms ANWYL: I am talking about the Justice component of the advance.

Mr Minson: Which page of the Bill is the member referring to?

Ms ANWYL: I note with interest that the member for Greenough has taken up the position of Acting Speaker. I am happy to respond: I am referring to the Treasurer's second reading speech. I am talking about the theme which runs between the Health, Justice and Police budgets. I will explain, as I have been for the past 22 minutes -

Mr Court: Twenty-three minutes. The member has been given an extra minute on her extended time.

Ms ANWYL: That is generous. I am sure the Treasurer will be pleased about that. I do not know whether members are listening, but I know what I am talking about. Drug and alcohol use is very prevalent in the goldfields. I have also been talking about crime levels. I understand that members are disgruntled, but if they listened they could give some constructive thought to the issues I raise, and ensure that they are adequately addressed, if not in this Budget, the next one.

Mr Court: We are debating the Treasurer's Advance, not a budget.

Ms ANWYL: I will just allow members to chat among themselves. I am not in a hurry.

The ACTING SPEAKER: The member should carry on. She should direct her remarks to the Chair.

Ms ANWYL: I am happy to, Madam Acting Speaker, if the interjections cease. If they do not cease, I will not continue. So be it. After that, members opposite will have to listen to the member who speaks after me, and the one after that. It will not make a great deal of difference.

Mr Court: It is cunning plan, and a good one.

Ms ANWYL: I will resume my remarks relating to the apparent drop in funding for victim support services

Mr Court: I want to hear the member for Nollamara.

Ms ANWYL: It will not be too long. There has been a decrease of funds for victim support services. Before I was interrupted, I was about to talk about an instance in my electorate of an armed robbery of a service station. I was contacted by a distraught married couple, the wife having been directly involved in the robbery. They had received no advice at that stage from the Victim Support Service. They had gone to the address, but had not been advised of the identity of the service provider. A feature of the competitive tendering system is that is hard to identify the service providers because the funds are provided for the service, but there is no check on how the service will be advertised or delivered. In any event, the concern was that the Victim Support Service operates on part time basis.

I accept that Kalgoorlie is a regional centre, notwithstanding we were told in a recent report that it is the biggest settlement in the desert. A part time service would be satisfactory if adequate information were available. It concerns me that two weeks after this woman had been the victim of an armed robbery she was still looking for counselling and had gone to the office of her local member of Parliament to find out where she could get it.

I do not think it is a good idea to be decreasing this funding. The estimated number of referrals received is 8 593. For the current financial year, the Budget has allowed for a huge increase in demand of seven people; that is, a total of 8 600 referrals are expected next year. The Minister for Police is well aware of the escalation in the number of criminal acts being perpetrated, particularly of the type about which I am talking, hence my reference earlier to illicit drug use. The community has increasing expectations about the services that will be available to it following the type of encounter I just referred to. In due course I expect some reference will be made to the fact that the persons who carried out that alleged crime needed a drug, or something or other. One of main justice matters that has not -

Several members interjected.

Ms ANWYL: The more those opposite whinge, the more fun I have. Had they understood that earlier, I may have sat down a while ago.

As to the Justice budget, there is a great need for some upgrading of the Kalgoorlie-Boulder courthouse facility. Increasing numbers of criminals are going through the courts and the facility is used by the Family Court, the Industrial Relations Commission, the Children's Court, the Supreme Court and the Magistrate's Court, and the workers' compensation authority occasionally. I note that the communities of Port Hedland and Busselton have been blessed with funding to develop a new court complex. I can remember the former Attorney General, the member for Kingsley, visiting Kalgoorlie-Boulder when I was the president of the local law society and having an earnest conversation with me about how some funding would be made available to upgrade the court facilities. Notwithstanding that, lawyers must still take instructions in a tiny holding cell, which is often full of a large number of men; women are held elsewhere. Members can probably appreciate that tension occurs in the lock-up from time to time, and it is a less than perfect way to spend time, least of all for a solicitor who is trying to take instruction from a person often accused of a very serious crime. Certainly the need for a courthouse is great.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [10.45 pm]: Clause 7 of this Bill extends the Treasurer's Advance by \$350m to \$550m. The second reading speech indicates that the extension is needed for 1997-98 for additional expenditure in Health of \$45m, an additional \$25m in the Ministry of Justice and an additional \$15m in the Police portfolio.

Naturally, as the shadow Minister for Education I was interested to know why Education did not feature in that list. I had reason to believe that Education might feature because on Tuesday, 18 November last year I asked the Minister for Education for the size of the projected deficit in the Education budget. The Minister said in his answer that the budget was probably heading for a deficit in the order of \$20m or \$30m. Had the Education Department budget been in deficit to the tune of \$20m or \$30m, one might expect some reference to it in the second reading speech of this Bill. Has that prediction by the Minister of a \$20m or \$30m deficit in Education been, or will it be, realised? If it has not been, or will not be, realised what has changed since Tuesday, 18 November? What activities in the Education Department have been cut or deferred so, if the second reading speech is indicative, a deficit is not likely in the Education budget for 1997-98? It is possible that a reference should have been in the speech to a deficit. I would like that information as well. We are owed some explanation of the outcome in the Education budget as it was predicted in November last year to be in deficit. If so, this Bill would provide for the additional payments needed.

Clause 5 is headed "Purposes for which money can be paid or advanced". This provision specifies the circumstances in which the Treasurer's Advance can be used in the budget year 1998-99. It is a pity that the Treasurer has temporarily left the Chamber as I wanted to question him on a matter of some significance in my electorate. Will any payment under the Treasurer's Advance be made to relocate speedway or drag racing activity to the Belmont electorate? Some controversy has arisen in Belmont, Forrestfield and High Wycombe about the apparent proposal by the Minister for Planning to relocate speedway and drag racing activity to that area. All local politicians - councillors, both Labor and Liberal - banded together and took a united stand against the proposal to relocate those activities to the Kewdale area, or any area close to the city of Belmont. I thought the issue was dead and gone because I thought the Minister for Planning had given us an assurance that we would not see speedway and drag racing activities relocated to my electorate. That is certainly the impression that the council had and certainly the message put out to the electorate by Liberal politicians. However, the issue has not gone away. I will quote from a letter to one of my constituents which is signed by Hon Derrick Tomlinson MLC, the member for the East Metropolitan Region. It reads -

Thank you for your telephone call in relation to the relocation of the speedway and raceway and enquiring if I had updated information.

In the second paragraph he went on to write -

A Working Group is to evaluate six sites. Four are on public lands and were considered by a previous Task Force.

In other words, the sites that were being considered before are under consideration again. In the third paragraph Hon Derrick Tomlinson wrote -

The Minister for Planning has undertaken to keep me informed.

It is good that Hon Derrick Tomlinson will be kept informed because the Minister for Planning apparently has a policy not to inform anyone else.

One of my constituents got wind of the consideration of this issue. He is a real estate agent and so probably has his own sources of information. He took it upon himself to phone the office of the Minister for Planning. He spoke to a staff member who was good enough to inform him that she was sitting on a committee which was considering sites for the relocation of speedway and drag racing but she was not allowed to tell him what those sites were.

Other members of the other place have taken an interest in this. Earlier this week a member of the other place asked the Minister representing the Minister for Planning questions about the possible location of speedway and drag racing activities in areas between Belmont, Forrestfield and High Wycombe. As usual when one asks a question of a Minister representing a Minister, the member in the other place gave notice of the question. Remarkably the Minister representing the Minister for Planning had not received the answer from the office of the Minister for Planning when the time came to give the answer in question time. The Minister simply got up and said, "I am sorry, I do not have the answer." Although the Minister for Planning might be undertaking to keep Hon Derrick Tomlinson informed, he will not inform my constituents when they phone his office and he will not inform members of the other place when they ask questions. The Minister for Planning should come clean on what sites his staff are considering for the relocation of speedway and drag racing activities.

There is some concern in my electorate that people who live outside the electorate think that we should tolerate the noise from speedway and drag racing because we already have the noise from the airport; that we are used to noise and therefore a little extra will not bother us. That is not the view of people in my electorate. They say, "We already tolerate the airport noise. We should not have to tolerate any more. We did not appreciate it when the Minister for Planning came out with that statement. We know that drag racing in particular is an activity that will cause a lot of noise over a long period." I am advised that drag racing vehicles have no noise restrictions placed on them. I am also advised that the activity lasts for a considerable proportion of the day because only two vehicles can race at any one time. Heats must be held early in the day and finals at night. I am also advised that the public address systems must be particularly clear and loud to get the message across over the noise of the drag racing vehicles. For kilometres around everyone is well informed of precisely what is happening at the drag racing field.

It is not on. We will not accept speedway and drag racing in areas between Belmont, Kewdale, Forrestfield and High Wycombe. The Minister should come clean about what he is proposing to do. The view in our area was that he had knocked off these proposals. That was certainly the impression created by his Liberal colleagues. It would appear from the experience of one of my constituents and the letter from Hon Derrick Tomlinson to another one of my constituents, this issue is back under consideration.

I attended a meeting of Kewdale electors tonight in my electorate office where we discussed a range of issues. I undertook to raise some of those issues on my return to Parliament and this is one of the issues that they wanted me to raise.

Mr Johnson: Why did you not stay there?

Mr RIPPER: I did not stay there, member for Hillarys, because I gave them an undertaking that I would go straight back to the Parliament and represent their concerns, which is my job. One of the electors at that meeting said to me that he had heard that the Premier had asked the Mayor of Belmont not to campaign against the location of speedway and drag racing activities in Kewdale. That is why I am sorry the Premier is not here because I wanted to confirm whether that information was true.

To come back to the connection between this issue and the Bill, I do not want the Treasurer's Advance used in any way to support the location of speedway or drag racing activities close to any part of my electorate because the people in my electorate are saying that they do not want it; and for good reason.

I now deal with a third issue which also relates to my electorate. The Treasurer's Advance under clause 5 can be used to make payments of an extraordinary or unforeseen nature in anticipation of, or in addition to, the relevant appropriations by Parliament. As members would be aware, a process is ongoing with high schools in my electorate

and in other electorates. It is called local area education planning and concerns the closure of at least five high schools in the metropolitan area.

What I am concerned about is that the Treasurer's Advance may be used to fund new works at the schools that remain open while we wait for the proceeds from the sale of the sites of the schools that are closed. The Treasurer should look very carefully at this issue before he allows any moneys from the Treasurer's Advance to be used to support the process of closing high schools. He should look in particular at the consultation process.

I have met with representatives of all of the schools that are recommended for closure by the Education Department and they uniformly tell me that they feel rushed and bullied by the process. It is clear to me that the consultation period which concludes this week is ending far too soon. Even the departmental officers are having trouble keeping up with all the processes that they need to have concluded before the end of the consultation period. For example, the Cannington education support centre is at Cannington Senior High School; therefore, there is a population of students with disabilities there. That population of students with disabilities was not considered early in the planning process. It has now been considered but options for the future education of those children have been available for consideration for only two and a half weeks, so it is ridiculous to end the consultation period when that is the case.

People involved with high schools in the western suburbs tell me that they support close consideration of an option for a new replacement high school for some of the high schools that are being closed. A consultant's report on that new high school and possible sites for it has not yet been received. In addition, that planning group in the western suburbs want access to evaluations for all of the high schools in the planning cluster. They have not got the evaluations for all of the high school sites; they have only the evaluations for the sites that the Government is clearly determined to close. Parents associated with this process tell me that very recently destination surveys were sent out to parents in the catchment areas of the schools recommended for closure. In other words, an attempt is being made to find out where students will be sent by parents if the high schools to which they would normally have gone are closed.

The consultative committees thought they had a right to participate in the drafting of the destination surveys. They were not involved and they will not be able to consider the results of them. That was the advice given to me when I met area representatives of all the schools subject to recommendation for closure.

It is clear that the Education Department cannot keep up with all the processes and activities required before the consultation period concludes. The Premier should examine the consultation process for another reason that was confirmed in an answer by the Minister to a question in this place on Tuesday. I was amazed to hear him say on Monday night at a meeting at Cannington Senior High School with 80 angry parents concerned about the possible closure of that school that he was looking at new options beyond those developed in the local area education planning process and on which the consultation was based. I asked him on Tuesday in Parliament whether he would confirm that statement he made to Cannington Senior High School parents. He replied in part -

As I stated last night, we are looking at a range of aspects. I am not yet in a position, nor am I willing to divulge exactly what those options are -

The Minister has a secret new agenda for the schools recommended for closure, but he is not prepared to take the Parliament or the public into his confidence. I am not saying the new agenda will be necessarily a bad thing because the options under local area education planning are so bad from the parents' point of view they might welcome a few new options. However, it is ridiculous to close the consultation period before the parents can be informed of those new options. It is interesting that the Minister is not entirely happy with the process. Perhaps his district education officers have not been quite up to the job. Perhaps they should have been better resourced to deal with this process because it appears that he is not entirely happy with the range of options presented to him.

However, tonight I am arguing that there should be no action on this matter until the Treasurer and the public are satisfied that proper consultation has occurred on this school closure process. No action should be taken to implement proposals to close schools until the future educational needs of these districts have been properly considered and priority is given to a link between schools and the community and to pastoral care and the individual attention students need.

Local area education planning is in disarray at the moment; the process is being rushed. Parents are not being given the influence they were told they would have. The Minister seems to be unhappy with the options he has been given. The Treasurer should not allow the Treasurer's Advance Authorization Bill to be used to support the outcomes of local area education planning until he has had a very good look at the process, proper consideration has been given to the needs of students and a proper consultation period has been provided.

MR MARLBOROUGH (Peel) [11.03 pm]: I support the Bill. I am concerned about how money is intended to be spent in my electorate. I believe the Delta program introduced into the Police Force by Police Commissioner

Falconer is coming very close to having very little credibility whatsoever within both the Police Force and the community. The budget papers under Police Services at page 907 state that the Delta program continues to provide the blueprint for a proactive problem solving approach to address safety and security issues at a local level. There is little evidence of that in my electorate. In my electorate, it is a nonsense; and if my electorate of Peel, which covers the suburbs of Kwinana and Rockingham, is indicative of what is taking place in the remainder of the metropolitan area, the same problem exists throughout the State.

It is a nonsense for the following reasons: We have the ludicrous situation where this Budget announces that a new police station will be built in Rockingham, which has a population of close to 80 000 people. It is one of the top five growth areas in Australia. Its population increases by about 8 000 people, or by about 10 per cent, per annum. Fewer than 40 police officers operate from Rockingham Police Station, yet Mandurah, which is just down the road and has a population of only 40 000 people, has between 70 and 75 police officers in the area.

It is fairly obvious that the criteria laid down by the Commissioner of Police and the Minister for Police to address safety and security issues at a local level are not being applied. It is impossible for the Police Force in Rockingham to carry out any proactive activities in key areas in the community. It simply does not have the resources and manpower, although it may well have the wherewithal and the experienced officers; I am not decrying their capabilities, but they are inadequately resourced. In many of the key areas that the police need to tackle today - home burglary, armed robbery, theft, assault and drug use - they are totally unable to carry out proactive activities in the community.

A serving police officer said to me the other day, "Norm, you should ask the Minister when was the last time a police officer in civilian clothing was able to go into a local hotel and work in a proactive way, under cover if you like, to just find out what is happening in the community. Not even that can be done in the Rockingham region."

The budget documents refer to the Delta program. We can measure the benefits of such a program in a number of ways. The first way is to rely on Commissioner Falconer to tell us it is working. The second way is to rely on the Minister for Police to tell us it is working. The third way is to look at some key statistics to see whether either one of them understands the problems in the community. We see from page 908 of the Budget Statements that in the key areas of crime - home burglary, car theft, armed robbery and assault - under the Delta program, we lead the nation. That is because the Delta program is not working. It may well have some benefits in that the hierarchy can focus on a region, but what is the good of that if, within that region, the branches of the system that should work together are unable to do so because they are underresourced and cannot be proactive. They simply cannot work.

Money has been spent on a new police station at Rockingham, but this Government should urgently re-assess the number of police officers required in that district. This Government is not meeting its duty of care because it is providing less than 40 officers in that area which has a population of 80 000 and, at the same time, Mandurah, with a population of 40 000, has between 70 and 75 police officers. The problem does not end there for the Kwinana-Rockingham region. Under the Delta program Rockingham comes under the Fremantle office for police management. Until last year Mandurah was also under the Fremantle district office. For some reason, best known to Commissioner Falconer - no doubt we can obtain more information from him next week - Mandurah has been removed from the Fremantle district and is now in the Bunbury police district, even though it abuts the metropolitan area and another area with a population of 80 000.

Mr Court: What do you have against Bunbury?

Mr MARLBOROUGH: Nothing. If it has an allocation of police officers anywhere near the ratio of police officers to population that Mandurah has - I suspect it has bearing in mind the importance of that seat to the Government - it is doing very well. However, as Mandurah now comes under the Bunbury police district, when any problems occur it will not provide any assistance to my electorate and the Rockingham Police Station simply does not have enough police officers. Three weeks ago someone was shot at in Singleton. The Mandurah Police Station was contacted. The response was that the Mandurah police were not in the metropolitan district and that they did not have enough officers to send to Singleton. The Rockingham Police Station did not have enough police officers to deal with it. It is a ridiculous situation and the problem came to a head three weeks ago.

This Budget does not provide for more police officers to be employed. An amount of \$1m is allocated to encourage councils to employ security guards, and ratepayers meet the cost of that. That is the thrust of the Bill. Parts of Rockingham have taken up this initiative off their own back. In the Golden Bay-Singleton area a new estate has been under development for four or five years, and it has its own security system. A number of households outside the estate have piggybacked the system and, for between \$5 and \$10 a week, the security guards also look after their homes. Three weeks ago the guard on duty was called by one of the householders because cars were doing burnouts on the road. He pulled in behind a car in Casuarina Avenue. A motorbike was alongside the vehicle and the two drivers appeared to be talking through the car driver's window. When they saw the security guard one of them took

a shot at him with a .22 rifle. He did the best thing and got out of there as quickly as he could. It is very well documented on the records of the Rockingham police. He telephoned the Rockingham police and told them that shots had been fired. The police said, "You've got out of there. They've got out of there and we can't get out of here, because we don't have the resources to get there." They arrived 50 minutes later. This was a security officer calling for the police. They work fairly closely together. The security officer telephoned the Mandurah police to be told that he was not in their district and they did not have the resources. That is one example. It is no use the Treasurer convincing himself that he is addressing the needs of the community by building new police stations. They are important, and police officers deserve to work in appropriate modern buildings and I am delighted that a new police station was built in Kwinana three or four years ago. However, Rockingham is in dire need now.

The Treasurer - unfortunately the Minister for Police is not here - needs to look at this program. It cannot work if it is not properly resourced. In Rockingham-Kwinana it is not working. We can measure that in a number of ways. We can rely on the Commissioner of Police and the Minister telling us that it is working, or on the statistics in budget documents which confirm that it is not working. Western Australia leads Australia with the highest incidence of home burglary, car theft and armed robbery. Our ability to catch criminals is abysmal with just over 20 per cent being caught. If one asks the average person in the street whether he thinks the Delta program is working, he would not know what it was; second, if one asks whether the person feels safe and secure, and whether he believes that if he was being burgled and he picks up a telephone a policeman will be around, the answer would be no on both counts. The Treasurer needs to consider closely the money that he is allocating to these areas. I suggest to the Treasurer that the situation in Rockingham-Kwinana highlights a problem that exists throughout the metropolitan area.

The statistics simply do not add up. Although there may be some benefits from the Delta program that puts decision making down to a regional level - I am not denying there would be benefits through that system - the system cannot work properly or effectively if those district offices are not properly funded to allow sufficient officers to be employed and appropriate programs to be put in place. There is simply no proactive policing today in my district. It is impossible to have proactive policing. We have reactive policing. Police officers in Rockingham and Kwinana are pulling their hair out at that situation and it urgently requires attention.

I will move on to another important aspect of my electorate, which is the issue of Jervoise Bay and the other coastal developments that seem to be mystifying the local community and a lot of people in this Parliament, including a number of members of the Government. Members on this side of the House are delighted that the Federal Government is offering to allocate \$160m to the offshore facility in Jervoise Bay. A breakdown in the Budget shows that this year \$20m will be spent on the realignment of Cockburn Road and \$23m on a marine industry technology park and communications pipeline. We support that development. It is about time that this State and this nation came to grips with the job opportunities lost to overseas companies, mainly in Asia, and from the offshore industries, such as the gas and oilfields. Most of the infrastructure necessary to draw the gas from the seabed off Karratha and the Kimberley is built in Korea, Indonesia and Singapore.

This State receives a small fraction of that work. Whenever Governments of either political persuasion have gone to the large multinational companies, such as Woodside, they say that they do not have the infrastructure; they cannot build a large structure that must be floated on a barge up to the north west; they do not have the land backup facilities, or the cranes with the necessary lifting capacities. However, we do have the finest tradesmen and best engineers in the world, and we have a fine record in the industrial relations area. We always meet our contractual obligations, and that is why the Minister for Resources Development and others have been negotiating over the past four years with the metal trades union to arrive at an industrial agreement, if the offshore facility is successful. We support the Government in that endeavour.

However, some problems must be faced: It will be difficult to explain this without a map. Those who drive to the Rockingham area will recognise the land immediately south of the existing shipbuilding facilities. It starts at the Fremantle end and runs through to a low lying area -

Points of Order

Mr BLOFFWITCH: The previous speaker asked whether this item was relevant to the Bill. The Treasurer said that it was not. Mr Acting Speaker, I ask you to instruct the member to desist from discussing this item, because the ruling was that it does not fall within the confines of the Bill.

The ACTING SPEAKER (Mr Baker): I uphold that point of order. The member for Peel should address his remarks to the contents of the Bill.

Mr MARLBOROUGH: I seek some clarification, Mr Acting Speaker. I was talking to the Bill. The second reading speech states -

The main factor giving rise to the need to increase the limit by \$350m is the transfer of \$244m from the

consolidated fund to the state development fund trust account. These funds will be used to progress a number of new capital projects.

Jervoise Bay is a capital project. It is a brand new project.

Mr Bloffwitch: Earlier, the Treasurer was asked whether Jervoise Bay was one of those items, and he said that it was not.

Mr MARLBOROUGH: Why did the Treasurer not give us a list of them? How are we supposed to know it is not one of these projects?

Mr Court: Jervoise Bay is in the Budget.

Mr MARLBOROUGH: So is Health, the Ministry of Justice and the Police Department.

The ACTING SPEAKER: I ask the member to continue his remarks.

Debate Resumed

Mr MARLBOROUGH: This is only one part of the project, which we support. The whole of Cockburn Sound is coming under greater scrutiny through studies, such as the Fremantle Rockingham Industrial Area Regional Strategy, about the ongoing development of harbours. Of course, the Fremantle Port Authority is the key player that wanted a new harbour built just north of Alcoa site by 2015. Part of last year's Budget process was for the Deputy Premier to tell us the reasons for the need for a new Fremantle port by the year 2015. As the local member of Parliament I started to support that project because of all of the benefits associated with it. Lo and behold, about six months ago out of left field the Minister for Transport announced to the world that another port would be built in Jervoise Bay. Along with the local residents, I questioned whether two ports were to be built to replace Fremantle Harbour.

Mr Court: Norm, this is not one of your better efforts.

Mr MARLBOROUGH: I raise it because there is total confusion among the people in my electorate. It is reflecting badly on the Government in terms of how it is treating not only the people, but also industry in the Kwinana region. After obtaining some evidence following the announcement to build another harbour, we discover it is to be a private harbour. If it gets off the ground, it will usurp the new Fremantle Port Authority harbour which has been planned to go around the Alcoa site. In making the announcement, the Minister for Transport did not raise the matter with local industry.

About three months ago, along with Hon Kim Beazley, I went to a meeting with the management people from the BP refinery. They told me that they first became aware of the project when the Minister for Transport announced it. They were amazed when a week later they had a visit from people from the department - I presume from the Fremantle Port Authority - to tell them that the harbour was to go around the BP jetty, and that the connecting road to this harbour, announced by the Minister for Transport, would cut through its water treatment plant.

The Treasurer will be aware that this company has just put in a new treatment plant at a cost \$28m. Since the plant was built in 1954 the underground aquifers have been pumped to get rid of the oil residue before the waste water goes into Cockburn Sound. After that process, the oil is returned to the refinery and the waste water is purified. A week after the Minister for Transport -

Mr Court: Why not get a book of poetry and each member opposite can read out a different poem? It would be more interesting.

Mr MARLBOROUGH: The Treasurer may make light of this.

Mr Court: You are talking about the FPA going around Alcoa. It is as simple as A, B, C.

Mr MARLBOROUGH: No, I am not. We are now being told that the people who live in the Rockingham-Kwinana-Cockburn area should be aware of the proposal to build two new major ports within about five kilometres of each other. The one around Alcoa will be the FPA harbour, which was announced in the document.

Mr Court: One of them I am told will have ships coming into it!

Mr MARLBOROUGH: It may well do. If they are silly as the Treasurer, they will be put down in the hold.

Mr Court: I told you the poetry was looking good.

Mr MARLBOROUGH: The Minister for Transport tells us that the other one will be built around BP. There is confusion in the electorate and this is causing difficulty for industry. The community is asking questions about the role of industry, the Government and which harbour will be built, if any.

Dr Hames: You should ring my wife and tell her why I'm still here. She does not believe grown people can do things like this.

Mr MARLBOROUGH: Like what?

Dr Hames: What you're doing.

Mr MARLBOROUGH: I finish by touching on the issue of health in the area of Rockingham and Peel. Not only are we suffering from a lack of health dividends in my region because existing facilities are not coping with community need, but this is compounded by the fact that for the last two years the Rockingham Hospital has been unable to meet its budget requirements.

As the member for Fremantle adequately indicated in his speech on the Health budget, if one took into account all the debt incurred by the major hospitals in the metropolitan area, which was in the vicinity of \$55m, and if the \$63m allocated in the Health portfolio were directed to debt, in real terms only \$7m would be directed to hospitals this year.

We have a further problem with the new private hospital at Mandurah. The hospital run by private management at Joondalup has had an effect on the Osborne Park Hospital. The Mandurah Hospital, which has yet to be managed, is already affecting decisions made by the Health Department; that is, money directed to enable a private operator to run that hospital at a profit will be drained from the health resources for the Rockingham-Kwinana Hospital. That is not the way for a responsible Government to look after 80 000 people in Rockingham, and another 25 000 people in Kwinana. It is being done to uphold the Government's view of how health should be operated in this State; that is, to increasingly hand it over to the private sector.

I will be watching in the next 12 months to see which services are drained away from my region. If it is all about the efficient use of the health dollar, I am yet to hear an argument that it is more efficient to have 80 000 people move to Mandurah for treatment than to have 40 000 people in Mandurah attend the hospital in Rockingham-Kwinana. This is not about efficiencies; it is about ideology and the Government's desire based on very little evidence to hand over our health system to the private sector and in this case to the detriment of the constituency that I represent in the Kwinana and Rockingham region.

MRS ROBERTS (Midland) [11.35 pm]: Mr Acting Speaker, I would not have thought that someone in the Chair would try a cheap trick of deliberately looking in the opposite direction when a member of the Opposition was on her feet trying to attract his attention.

Mr Johnson interjected.

Mrs ROBERTS: That means I can expect to see the member on his feet next.

In addressing the Bill I have a few questions straight up for the Treasurer, which I hope he will address in his response so that we do not need to take the Bill to the Committee stage. I note of his speech that the Treasurer said -

The main factor giving rise to the need to increase the limit by \$350m is the transfer of \$244m from the consolidated fund to the state development fund trust account.

Clause 7 of the Bill reads-

Section 4(1) of the *Treasurer's Advance Authorization Act 1997* is amended by deleting "\$200 000 000" and substituting the following -

" \$500 000 000 ".

That struck me initially as a massive change of nearly three times as much money being put in place. My first question was, why is that so? It centred on of the Treasurer's speech where he suggested that we need some extra massive transfer of funds to the state development fund trust. He went on to say -

These funds will be used to progress a number of new capital projects in addition to those to be funded within the normal allocations of the capital works program.

One of the aspects of the budget process is that it has been short on detail, certainly much shorter on detail than previous Budgets, by not listing FTEs and other matters. The Bill is also fairly short on detail. It merely refers to a number of new capital projects in addition to those being funded within normal allocations. It seems that an additional \$350m is being put into an account for projects which do not appear to be specified either in this Bill or in the Treasurer's second reading speech. Like other members, I would like some indication of what these other new capital projects are that seemingly are not listed in the Budget but are put into the state development fund trust account. I assume that the convention centre is not in there because it is listed in the Budget. However, I note that the announced police operations centre, which has been proposed for one end of the Midland Workshop site, does

not appear as a capital works item in the budget papers, as people in Midland were led to believe that it might. I seek the Treasurer's advice about whether there is an opportunity for those funds that are listed in the state development fund trust account to be used to advance money for the \$40m for the building of the police operations centre in Midland.

Mr Court: No. I have given you all the papers on that \$244m with the breakdown.

Mrs ROBERTS: They were not given to me by the Clerk. Under clause 5(2) it states that the terms of an advance under subclause (1)(b) or (c) may include an obligation to pay interest on the advance at a rate determined by the Treasurer and any such interest received shall be credited to the consolidated fund.

Mr Court: Can I interrupt? Budget paper No 3 at page 69 has the full split up of where the \$244m was spent.

Mrs ROBERTS: I will look at that later. I have just referred to that clause where it says that interest rate can be determined by the Treasurer. I ask what interest rate the Treasurer has charged in previous years and whether that rate is consistent. Is that determined on a case by case basis; is it a uniform interest rate that applies throughout the financial year; if so, what was that rate for the last financial year; and is there any reason to suppose that that rate may vary this year?

Mr Court: I will get that answer to you in a moment.

Mrs ROBERTS: I move on to refer to the advance authorisation for the Police Department. I am interested to know the reason for the terminology there: Police Department as opposed to Police Service. I direct that query to the Treasurer. Is Police Department something different from Police Service? I note that the amount stated is \$15m and the comment in the Treasurer's speech is that additional funding from the Treasurer's Advance is also required to meet expenses. Then it lists the Health and Justice departments; and then Police Department, \$15m. I seek clarification as to why the Police Department, or perhaps the Police Service, needs that additional \$15m and on what that \$15m will be expended.

Mr Court: Can I interrupt? On the interest rate question, these are calculated on a case by case basis and the interest rates are calculated at the official rate at the time of the determination. The main expenditure in the Police Department which the member referred to was the gun control buyback program where moneys were received from the Federal Government. The moneys must come into consolidated revenue. They can only go out again with the approval of the Treasurer's Advance.

Mrs ROBERTS: Would that be 90 per cent or more of the \$15m?

Mr Court: Over half of the fund.

Mrs ROBERTS: One of the concerns I have with the Police budget is whether we needed to seek extra commonwealth funding. The Commonwealth has an obligation to meet some of our Police budget for the police presence that was required at the Fremantle wharves as a direct result of the actions by John Howard, Peter Reith and Patrick Stevedores. That cost was confirmed by the Police Commissioner as \$160 000 per day. The Minister, who initially said that the total expenditure over a 13 day period, which included those days when there was a massive presence there, was \$500 000. He then went on to say that over \$400 000 of that was overtime payments to those police officers. Given that in any make up of wages overtime is a lesser amount than normal time, it was obvious that that figure was drastically under the mark.

I know that the police keep detailed budgetary information and they would have kept it on this exercise. It is a matter of their not being open and accountable. They should be able to identify the cost for each day of the police presence at Fremantle. That presence, over and above a watching brief, should come out of federal rather than state funds. The assignment lasted longer than a fortnight. The Minister said the cost was not \$160 000 for each day but for only the days on which up to 500 police officers were present. However, little by little we have learnt more of the costs. It is time the Government was open and accountable and detailed those full costs.

Mr Court: And send the bill to the Maritime Union of Australia.

Mrs ROBERTS: It is interesting the Treasurer adopts that attitude; I do not see how he can justify that. The MUA did not ask for the Police Service to go the wharves in those numbers.

Mr Court: Do you think it is okay to stop the public from driving down the road? People could not even catch the ferry to Rottneest.

Mrs ROBERTS: That is nonsense. I and other people had no difficulty driving through the area, parking our cars or anything else.

The Treasurer has distinctly avoided the question; that is, what are the detailed costings of that massive police presence, including the buildup at Claremont Showgrounds, the hire costs to set up the operations centre at the Fremantle Port Authority, normal wages, overtime, helicopters or fixed wing aircraft, other equipment, catering and the like?

It was revealed that some police officers were put up at the nearby Esplanade Hotel; therefore accommodation and other costs were involved. This Government declared that it would be open and accountable; yet for one reason or another it has chosen not to disclose to the taxpayers of Western Australia the true cost of that police operation.

A cost was also involved in taking those police officers out of the many units of the Police Service. Holes needed to be plugged; other officers had to work overtime and double shifts to cover for the officers not available at suburban police stations and other units. It is a matter of providing us with proper costings. Other areas of the Police Service have put an additional burden on the Police budget.

Recurrent spending in the Police budget does not show a very good picture. According to Treasury figures the 1997-98 estimated actual figure for recurrent spending was in the order of \$360.4m. On the face of it the estimate of \$367.8m this time appears to be a slight increase because it is for recurrent spending. After that figure is adjusted for inflation it comes down to \$358.1m. When adjusted for both inflation and population growth it comes down to \$352.6m. That is an actual cut in the order of \$8m taking into account both inflation and population growth.

In that context the Police Service incurred expenditure which may not have been anticipated. The presence at the Fremantle wharves would not have been an anticipated cost. The Police Service should not have to take money from other budget areas in order to meet the very high cost of that exercise. That is the kind of unexpected and unanticipated operation for which the Police Service needs a further advance from Treasury.

Another area which has very much eaten into the Police budget is the recently established telephone interception unit. That kind of work is very valuable in obtaining information for prosecutions and the like, but I understand the cost of that unit is about \$500 000. It always seems to be a matter of robbing Peter to pay Paul within the Police Service, because no additional amount of money has been put into the Police budget for that service; it has to make do with its global allocation, which inevitably means it continues to make do with less.

Another unanticipated and quite astronomical expenditure that the Police Service has had to meet in recent years has been the cost of the Macro and other task forces. The work of those task forces is absolutely vital. However, those task forces place a heavy burden on our Police budget, because resources from within the Police budget have to be reallocated to those task forces, and that leaves other areas of the Police Service very much short changed. A special advance from Treasury should cover those unanticipated costs which, to the best of my knowledge, the Police Service hitherto has had to meet from within its own budget.

The cost of the Macro Task Force, which is investigating the disappearance of Sarah Spiers and the abduction and murder of Jane Rimmer and Ciara Glennon, has placed an immense burden on the Police Service. It is time the Government detailed the overall cost of that task force. I say that not because I begrudge one cent of the money that has gone into that or any other task force, but so that we can get some idea of the amount of money that that task force has consumed and that has been taken out of other areas of the Police budget.

Another task force was established in response to the murder of Mrs Trenoworth in Dianella. That again was a massive police operation, which turned out to be successful in apprehending and charging the person who murdered Mrs Trenoworth and progressing that charge through the judicial system. However, again not just tens of thousands but hundreds of thousands of dollars would have been spent on that task force. A task force has also been established to investigate the murder of young Gerrard Ross from Geraldton, who disappeared from Kent Street, Rockingham. A task force has also been established to investigate the case of the serial rapist, who has not been caught at this stage. It is important that the Police Service allocate resources to the apprehension of that person, but that is a costly exercise.

Dozens of police officers have been allocated to task forces, which consume vast amounts of money. While we can make some budgetary allocation towards task forces that may need to be established, in these unpredictable cases of murder, these additional moneys, which may run into hundreds of thousands of dollars, should not be taken out of other sections of the Police Service and managed from within.

It is almost unprecedented to have so many task forces investigating such serious crimes as have occurred over the past few years. That places an additional financial burden on the Police Service in this State. I am talking about this in the context of a Police Service whose resources seem to be stretched to the limits, and a Government that is failing to account for the details of those budgets.

The Treasurer said an additional allocation had been made of \$15m, about half of which is for the gun buyback

scheme and the requirement to advance money that is later recouped from the Federal Government. The Bill does not specify what the other half of the money is for but many suggestions have been made by the Police Service, some of which I have raised in this Parliament. One suggestion is that the police air wing has run drastically over budget and that money has been directed into it from the training budget. A proper analysis should be made of the Police budget, and of the cost of the Delta program and the devolution in the Police Service. I have suggested that proper itemised accounting should be carried out of the real costs of unexpected incidents, such as the Patrick dispute at the Fremantle wharf. Information should also be provided on the cost of new technology, such as the telephone interception system now being utilised, and the cost of the significant task force and its impact on the day to day budget of the Police Service and the resources for officers operating at the front line.

Until the Treasurer specifies what the other half of the \$15m is for, I have concerns that the Police Service could have to dip into next year's budget because last year's allocation was not enough. If the Government opened the books of the Police Service and people could see the impact of those unexpected events on its budget, it might be found that significant cuts had been made to the operating budgets of the various units of the Police Service. Under the Delta program it might be that those people in management positions, whether at district or subdistrict level, must manage with less because funds have been transferred from section to section. That answer is always given when one asks where the money for a particular task force has come from. It is a matter of moving resources around within the Police budget. When exceptional circumstances occur, an additional advance should be made and not one that must be paid off with interest at a later date. An additional advance should be made in acknowledgment of the fact that the Police Service had to meet unexpected budgetary situations and, because its functions are so vital to the community, we cannot afford to take that money from various units, regions and districts within the Police Service in Western Australia.

MR KOBELKE (Nollamara) [11.59 pm]: The Treasurer's Advance Authorization Bill provides funding of \$37m to continue the operations of the Department of Contract and Management Services. That department carries out some of the functions of the former department of state services. In the second reading speech the Treasurer indicated that until appropriate legislative amendments were made it would be necessary to fund its operation from the Treasurer's Advance. I will comment on one aspect of the operations of the Department of Contract and Management Services that relates to a matter that was covered in a report of the Auditor General titled "The Funding Facility for the Western Australian Government's Light Vehicle Fleet" which was tabled in this House yesterday.

We need to consider carefully the net gains from this form of funding for the Government's vehicle fleet. I do not have the figures to suggest that there is no net gain. However, I have looked carefully at the report and it is clear that there is not a simple bottom line to show a net gain, which causes me concern. It may be due to the complexity of the matter or it may be that the Government does not want the bottom line to become evident. That is not a matter on which I can make a judgment. When we look more closely at this arrangement we must consider the range of projects that have been taken on by this Government, in which it has sought to outsource, contract out or privatise services with the declared intention of having a more efficient, cost effective service that will save the taxpayers of this State money and enable the Government to spend those savings to the advantage of ordinary Western Australians.

We all know from the cutbacks in funding for the police, hospitals, schools and other areas of government service that there is no social dividend, and no net benefit. Given that this is such a high taxing Government that has placed an additional tax burden on Western Australian families, and there has been good economic growth in this State, the figures do not add up. If the Government has imposed more taxes and higher levels of taxation, if higher levels of economic activity are driving the State's economy and the Government has embarked on major projects such as this - supposedly to improve efficiency - but at the same time it is implementing major cutbacks in the provision of government services, there must be a problem. The major problem is that some, if not many, of these projects to contract out have been frauds. They have not produced the goods. They have been total failures in saving the taxpayer money. It is on that basis that the report of the Auditor General that relates to the Bill before us through the Department of Contract and Management Services needs to be considered carefully. If it turns out that this is one of the winners for the Government it needs to be congratulated. However, if it is a loser and is simply another case of rearranging the deckchairs on the *Titanic*, we need to get out of the arrangement and ensure that we have the best possible management of the Government's small vehicle fleet.

I will say a few things about the arrangement before I look at some of the costs involved. The Minister for Services determined on 27 June 1996 that the State Supply Commission would sell the government passenger and light vehicle fleet to Fleetwest, a wholly owned subsidiary of the Matrix Finance Group Ltd. It was also determined that the State Supply Commission would hire the vehicles from Fleetwest and on-hire them to government agencies. This was overall a complex set of arrangements involving numerous contracts and different players, so the figures that I will take from the report need to be seen in that context. I am not attempting to draw a bottom line; the issue is far too complex. The figures available to us through the Auditor General's report and other sources are too incomplete to

be able to draw a full picture. Nonetheless, from what is available, there are quite worrying signs that this is not necessarily working out to be a good project.

The Auditor General's report indicates that by January 1998, 9 172 vehicles valued at \$222.4m were being leased for an aggregate monthly rental of \$1.96m. The report reads -

The agreement has met the objective of obtaining interest rates for vehicle funding below the interest rate at which Treasury can borrow by taking advantage of taxation benefits available to private investors. Savings measured against a Treasury benchmark interest rate approximate \$4.87 million per annum . . .

The funding model is predicated upon a guaranteed rate of return to the investors. It is also underpinned by a number of economic assumptions that are specifically indemnified in the transaction documentation. Should these assumptions prove incorrect the benefit to government could be reduced or the agreement could be terminated.

Significant revision of the tax structure is the major risk faced by government, the vulnerability being shown when the Commonwealth decided to impose sales tax on executive vehicles.

The saving as quantified at the time of this report was \$4.87m. I will return to that point later, in the context of other figures. The Auditor General's report contains a very clear warning that even that advantage can easily evaporate due to a change in many factors which are part of this complex contractual arrangement. A change in commonwealth tax requirements could wipe out the savings in the reduced cost of interest.

Mr Bloffwitch: It would wipe it only from the new cars that were coming through at that price. They would be subject to government pricing - the same as ours are. There is a \$4 000 difference in the government price. As a car dealer, I can say that is more than enough to do a very favourable deal.

Mr KOBELKE: I accept that comment. The member's knowledge in that area is superior to mine. The member has missed the key point, which is that these companies in the Matrix Group are putting up the finance. The tax advantage to them is not just in the sales tax but in the write-off provisions in the tax legislation.

Mr Bloffwitch: It is depreciation.

Mr KOBELKE: The depreciation levels can be changed. There are more complex aspects to that.

Mr Bloffwitch: Any change can have an effect on an existing agreement. Although it is correct, it is not likely.

Mr KOBELKE: I am happy to be corrected, if I am wrong. It is not my area of expertise. Although the point may be valid, it is not crucial to these figures. That tax concession exists whether it is run within government or as a government operation with a different funder for the program. That is a key element in the cost structure, but the advantage of doing it in government or through an arrangement such as the one with Matrix, is that sales tax would apply in both cases. However, we are considering the competitive advantage of financing the vehicles through an organisation such as Matrix, and that relates to more complex and further tax issues, not only sales tax. Because the Commonwealth Government is completely rejigging its tax structure, the other tax items could shift markedly and have a major impact on the cost advantage of the Government's financing or using this structure. That is part of the vulnerability in the current arrangement.

Mr Board interjected.

Mr KOBELKE: Am I correct that regardless of whether it is done in-house or let out, the advantage is the same?

Mr Bloffwitch: No, it is not. As a State Government, we do not pay tax.

Mr KOBELKE: Commonwealth sales tax.

Mr Bloffwitch: We don't pay income tax. The only reason for the advantage is that it is a deduction of their tax bill. We don't get that.

Mr KOBELKE: We can have a constructive debate if I take the interjection of the member for Geraldton and he lets me answer it.

Mr Court: Apologise.

Mr KOBELKE: The member for Geraldton is saying that the State Government does not pay commonwealth sales tax on its vehicles.

Mr Bloffwitch: I said that it doesn't pay income tax. The whole point of getting depreciation is so that it will be a deduction from the income tax. As a State, there is no advantage in that depreciation at all for us.

Mr KOBELKE: I was answering the member's point about sales tax and he suddenly jumped to the point I was trying to make. I accept that. Perhaps we could have clarity, instead of speaking across each other. To confirm that we are in agreement, the member is saying that the tax advantage here does not relate to sales tax, but to the fact that the private corporation can get an income tax advantage which the State cannot get.

Mr Bloffwitch: Exactly.

Mr KOBELKE: Because if there were changes in the taxation system relating to taxes and profits of companies, it would have a major impact on the cost advantage, which, in this report, is \$4.87m.

Mr Board: That is a good return for the State Government. You must admit that.

Mr KOBELKE: That is the saving on the interest charges. We must put against that the additional costs this new system will incur. This report indicates cost centres could erode that or totally wipe it out. I cannot quantify them, but I will give some figures which indicate what those cost centres might be and some part of the impact. I cannot be exact because the figures here do not allow that.

I now turn to some of these cost drivers in the system. On page 13 the report talks about risks and states -

Although government has transferred ownership of the fleet, numerous indemnities to the investors, Westfleet and FSA means government continues to bear most of operating risks associated with motor vehicles. It is unlikely the agreement could have been put in place without the underpinning of those indemnities.

I simply cannot quantify that. I have no idea of the potential costs attached to those risks. Where the Auditor General says there are risks, there is clearly a potential for costs to flow to government, and those costs would eat away at the \$4.87m profit on the financing. I have no idea whether we are talking about \$10 000 or \$10m in costs. At the current time they may be nil. There is clearly a potential to lose out on the profit.

I move to another potential cost area. I will not go into the factors in detail; they are largely external. Page 19 of the report states -

Early termination of the funding agreement is possible, but unless triggered by external events is unlikely to occur. Termination after two years has been calculated by Matrix, and confirmed by the actuary, to have a marginal cost of 0.81 per cent. This, together with contract wind up costs and smaller associated administrative expenses, would amount to several million dollars, in addition to the capital funds of over \$220 million that would have to be sought from alternative sources.

There are two problems: First, if the Government saw the whole thing as not working, there is a hurdle to get over, which is not impossible, to go back to owning its own fleet; that is, finding \$220m. Given that the Government has heralded so much about reducing debt, while it may be to the long term advantage of the State to return to ownership, it will be politically very unpalatable for the current Government to do that. It could be in the Government's political interest to cost the State more money running a project, rather than to make the hard decision, to eat humble pie politically and go back to funding its fleet.

Mr Court: We could go back to bikes.

Mr KOBELKE: The Treasurer should go back to sleep; he made more sense when he was snoring.

Mr Board interjected.

Mr KOBELKE: I accept that. Does the Minister accept my point? A Government making the decision on the basis of sound financial management would still wear the political odium of reversing what had previously been done. That would be a disincentive for the Minister's Government, although no net cost is involved. It is a political hurdle if the Government ever had to make that decision. We hope it will not.

Mr Board: It is not a political hurdle because the nature of the decisions cannot be forecasted many years ahead. They are part of the process of contract management. It is to make sure that flexibility is entrenched in the contract.

Mr KOBELKE: I do not think the Minister expects us to be that politically naive. The Government has made a virtue of contracting out ownership of its fleet. If on sound management and a financial basis the Government were advised to revert to fleet ownership, a political cost would be part of the decision making. It would apply to any Government. In this instance, a political cost would be paid by the Minister's Government.

The 0.81 per cent relates to the \$250m as the total maximum amount financed. That amounts to \$2m. On top of that is the winding up cost. If it were necessary to undertake early termination, \$2m to \$6m would be involved. The Auditor General simply says "several million dollars". That would wipe out one year's savings on interest.

Another cost is the lower than expected market price paid for the vehicles sold at the end of their period. CAMS has attempted to address this, as laid out in the Auditor General's report, by improving the return on sales. Four methods have been used: First, repairs are carried out to restore vehicles to the state of fair wear and tear required under the funding agreement, with an average cost of \$300; second, detailing each vehicle with a cost of \$105; third, providing an SGIO Autocheck at a cost of \$85; and, fourth, the report said that CAMS also funds a warranty for vehicles sold to private buyers as required under the fair trading legislation, with a cost of \$160. That is a total cost per vehicle of \$650.

With 9 000 vehicles in the fleet being turned over every 40 000 kilometres or two years maximum, a fair estimate is a turnover of 5 000 cars a year. Therefore, the Government is putting in \$3.25m to try to improve the sale value of the vehicles. If that is totally effective, it ends up as a net gain, not a net loss. If not, one is looking at something less than \$3m as a cost. The profit is \$4.87m, but to attempt to achieve best market value on the vehicles, something over \$3m is expended. There is no quantification in the report of the improved sale value achieved by that expenditure. I can only allude to the cost centre without a bottom line indicating whether it is a loss or a gain.

I move to the expectation of rental cost. Page 32 of the Auditor General's report reads -

A list of indicative lease rentals issued soon after the commencement of the agreement proved to be an unreliable predictor of the actual rate that is charged.

For example, at that time the indicative monthly rental for the VS Commodore Executive Sedan was \$58. Less than one per cent of Commodores leased under the agreement actually met or bettered that rate. The average actual rental for these vehicles across all agencies at the time of examination was \$107 for a 24-month lease.

It is a pretty big blow out when agencies were told that they could expect an indicative rental of \$58 a month and ended up paying an average of \$107 a month. That may have been picked up in other places so that there was not a net cost, but on the surface it looks like the management of the whole system, which is complex, caused quite a large percentage cost overrun on what was expected.

Mr Board: I will tell you how it happened. It was because an agency would order a Commodore Executive and might put a couple of standard accessories on to the vehicle. The accessories are amortised over the period of the lease and therefore blow out the cost, whereas if an agency had ordered an Acclaim which had the accessories as part of the standard vehicle, the lease would have been much cheaper. That is part of the management of what we are now trying to do. The reason an agency did not order an Acclaim is that it is a more prestigious vehicle.

Mr KOBELKE: I accept what the Minister says. I will come to that, but the Minister must also recognise that that was not the only source. Adjustments also related to the loss and profit on the resale, which I just touched on. The Auditor General's report suggests that to be a major cause of the change. The report also indicates that the change in market interest rates is a factor. At present with stable interest rates it is a very minor factor.

To move on to the impact on the agencies of the vehicle modifications and accessories, to which the Minister has just drawn our attention, on page 36 of his report the Auditor General writes that in January 1998 modifications other than the standard were contributing about \$509 000 to the State's monthly rental bill of about \$1.2m for about 7 000 vehicles or \$6.1m to the annual cost of fleet rentals. The remaining vehicles in the fleet contributed an unknown additional amount where such information is not recorded. Therefore, for only 7 000 out of 9 500 vehicles, there was an additional cost of \$6.1m. That \$6.1m would seem to me to totally wipe out the \$4.87m that has been saved. I cannot say that for certain because the structure is very complex.

Mr Wiese: Despite all that, there was still a \$4.87m profit.

Mr KOBELKE: The member for Wagin misunderstands. The \$4.87m is not a net saving; that is a saving only on the interest costs, and only one of the components; in fact, the saving is not the whole of the \$4.87m because the Government reimburses for financial institutions duty and stamp duty, which is \$400 000. I will not go into that.

The trouble with these figures is that we cannot tie them down. There is no bottom line drawn off. That is the case with so many of these government projects where there is a promise of huge savings by going into a whole new scheme. However, we never see a before and after analysis which means anything, so that we can draw a bottom line and say, "Yes, it is better by so many million dollars a year."

Mr Board: We did not have those figures previously.

Mr KOBELKE: I understand that. There are reasons that it is difficult. The whole point I want to make through this example is that if half of these projects of major restructuring of government tendering out were the huge successes we were told they would be, why is the Budget strapped for cash to pay for our police, hospitals and schools? The

sums simply do not add up. This State has had very good economic growth for six years. Before this Government came into office the economy was starting to grow. We have had the highest tax level ever in this State with increased rates of tax on families as well. The Government has all the money coming in, the State has been doing well, the Government claims that the restructuring is saving money, yet the Government cannot provide services and keep the schools clean. That is why we must start looking very closely at these particular issues.

Mr Wiese: You must look at the federal government Budget and see where the State is not getting the growth that is going across to the Federal Government.

Mr KOBELKE: The member is making an important point which directly relates to what I am saying. The value of the contribution to the State's finances by the Commonwealth has been cut back; that has been going on for over 10 years and it does create a problem. However, one cannot account for the major problem by that alone; there is more than just that to it.

The modifications, as indicated, cost \$6.1m. The Treasurer cannot say that that \$6.1m cost wipes out the \$4.87m savings on interest because the \$6.1m may have made a profit when those vehicles were sold. It is complex. One cannot just add one figure to the other. Clearly, there was a cost centre there which was not put down in the original figures and is likely to erode some, if not a fair bit, of profit made on the interest savings of \$4.87m.

The last point I come to is the adjustment to the rental, which I touched on earlier. This has been a major source of uncertainty and confusion to the agencies which use the vehicles. The Auditor General suggested that a major factor for those adjustments is the consequence of losses or profits made on the sale of vehicles. Another major factor is a change in market interest rates; and there are others, as the Minister mentioned. However, I can quote from page 43 of the report -

In January 1998, adjustments were adding over \$90 000 to the monthly fleet rental bill.

In aggregate, as a result of persistently lower than expected resale prices, the unexpected consequence of the rental adjustment mechanism is that accumulated sale shortfalls now total almost \$8m, a figure that is growing rapidly.

On page 44 of the report, there is a graph indicating that it is ready to go through the roof. That aggregated shortfall had reached \$8m at January 1998. We are making an annual profit only on the rental itself of \$4.87m. The Minister should get on top of this issue. I asked him a question at question time today and I accept that the matter is one, all the details of which not even the Minister would be aware. However, I hope he will follow up the question and answer it if I ask him again, as extra costs of \$2.1m were incurred because approximately 100 vehicles were not returned on time. We are talking about a turnover of about 5 000 vehicles a year and the cost of returning just 100 vehicles late was \$2.1m; that is just one case. The report also indicates that on two occasions in 1997, 1 000 vehicles were returned late. On my understanding of the report, that could have had major consequences to the whole agreement. Some accommodation was made by the parties involved, but there was no mention of whether there were additional costs. It cost \$2.1m for the late return of just 100 vehicles and 1 000 vehicles were returned late in 1997, so I have reason to expect there were additional costs to the Government.

Mr Kierath: There was some cost.

Mr KOBELKE: But was there an additional cost to the Government on those 1 000 vehicles?

Mr Kierath: There was some additional cost but nowhere near what the member for Nollamara suggests.

Mr KOBELKE: I do not know; I have no idea. I did not suggest a figure. In one bundle there is a profit on interest rates of \$4.7m and against this there are all these cost centres which are unquantified. It leaves one to suspect that the whole deal on balance is a net cost to Government, not a saving.

Mr Kierath: That is not true.

Mr KOBELKE: I would like to be convinced, Minister. The Minister will have to produce detailed figures that stack up if we are to accept that there has been a real advantage to this State in the contracting out of the ownership and the leasing arrangements of its small vehicle fleet.

Question put and passed.

Bill read a second time.

House adjourned at 12.30 am (Friday)

APPENDIX A

QUESTIONS ON NOTICE

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

BUS CONTRACTS - NUMBER AND PRICE

3003. Mr BROWN to the Minister representing the Minister for Transport:

- (1) How many companies has the Government entered into contractual arrangements with to provide bus services which were previously provided by MetroBus?
- (2) On what date did each of the contracts commence?
- (3) At the commencement of each contract, what was the agreed contract price?
- (4) Has the contract price been adjusted since the contract was entered into?
- (5) Has the contract price been adjusted up or down?
- (6) How much has the contract price increased or decreased since the contract was signed?
- (7) What is the reason/s for the contract price increasing or decreasing?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) Three companies.
- (2) 21 January 1996 (1) 30 September 1996 (4) 18 January 1998 (1)
- (3)

(a)	\$ 3 048 776	Midland (Swan Transit)
(b)	\$ 4 985 878	Rockingham (Transport Management Group)
(c)	\$ 4 528 554	Southern River/Armadale South (Swan Transit)
(d)	\$ 5 259 282	Canning (Swan Transit)
(e)	\$19 353 097	Marmion/Wanneroo/Joondalup North (ATE)
(f)	\$ 3 728 884	Kalamunda (Swan Transit)

(4) Yes.

(5)-(7) (a) Midland Increase \$ 528 443

Services in Midland have increased by more than 40 per cent which account for in excess of \$0.328 million of the total increase. Early analysis of patronage trends indicate an increase in patronage of over 10 per cent. The base contract price has only increased by a total of \$0.2 million per annum over a period of two years since close of the tenders.

(b) Rockingham Increase \$1 145 458

\$0.990 million of the total increase relates to the introduction of new services. The extremely successful 'Mandurah Express' service, for example, added 750 000 service kilometres to this contract area. Since Southern Coast Transit commenced operations, patronage has increased by over 34 per cent. The introduction of the new Waikiki/Warnbro 112 service has raised patronage in that area by approximately 38 per cent. The base contract price has increased by only \$0.155 million as a result of annual reviews.

(c) Southern River/Armadale South Increase \$837 832

\$0.6 million of the total increase is due to the addition of the Armadale South contract area (formerly a MetroBus contract), and the introduction of new services. The base contract price increased by only \$0.2 million as a result of annual reviews since close of tender area. Patronage has increased by approximately two per cent overall for this contract area, with patronage from Murdoch Park'n'Ride increasing by over 30 per cent.

(d) Canning Increase \$289 909

The base contract price increased by \$0.24 million as a result of annual reviews since close of

tender. The balance of the increase was due to increased services. In total, patronage has increased by approximately two per cent for this contract. The first leg of the new circle route (not included in the above costing) has been a huge success with weekly patronage in excess of 20,000 per week - resulting in additional buses having to be put into service to meet demand. This represents an increase in patronage of 150 per cent, obtained in the first fortnight of operation.

- (e) Marmion/Wanneroo/Joondalup North Increase \$3 360 930

\$2.1 million of the increase relates to the addition of the Joondalup North contract area (formerly a MetroBus contract) which incorporates 1.6 million additional service kilometres per annum. Of the balance, \$0.9 million relates to the introduction of new services in the Marmion/Wanneroo contract area, and only \$0.2 million relates to annual reviews of the contract. As a whole patronage has increased by approximately 3.8 per cent. Specific examples of increased patronage include; an increase of eight per cent for the Warwick / Whitfords 441 and 452 evening services, the Fremantle Clipper now carries over 1 600 passengers per weekend, and the 928 coastal service to Fremantle has increased patronage by over 100 per cent since its introduction.

- (f) Nil.

GOVERNMENT DEPARTMENTS AND AGENCIES - CONTRACTS

3036. Mr BROWN to the Minister representing the Minister for Transport:

- (1) In any of the departments or agencies under the Minister's control, are there any plans to contract out to the private sector any services or functions currently being carried out by the public sector workforce?
- (2) Have any plans been made to contract such work out over the course of 1998?
- (3) What work is planned to be contracted out?
- (4) Has any department or agency contracted any work out since 1 July 1997?
- (5) What work has been contracted out?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1)-(5) As part of normal business management, government departments and agencies continuously review opportunities to improve the efficiency of services and functions currently being carried out by the public sector workforce. This includes consideration of contracting out to the private sector. The Government's approach is that the decision to contract out services and functions is made at agency level to suit agency needs. Since July 1997 many agencies have contracted out work previously performed by the public sector workforce. This ranges from small and routine functions contracted out to release skilled public sector staff for higher value work in their agencies, to significant out sourcing projects where moving functions and staff to the private sector has resulted in better service and value for money to the community. Agencies normally disclose their key contracting processes as part of their annual reporting process.

NORTHBRIDGE TUNNEL - USE OF LOCAL MATERIALS

3048. Ms MacTIERNAN to the Minister representing the Minister for Transport:

- (1) Can the Minister confirm the steel being used in the tunnel project for concrete re-enforcement and that used for high voltage pylons is imported from overseas?
- (2) Can the Minister confirm that the steel was imported from India?
- (3) Does the contract with the construction company include any provision concerning the local sourcing of materials?
- (4) If not, why not?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) Yes, only in respect of reinforcing steel. Western Power will be subcontracting the fabrication of approximately three steel transmission line poles to local industry. I am told that the source of the steel plate and sections to be used in the fabricating process is outside Western Power's control.

- (2) The reinforcing steel came from South Africa.
- (3)-(4) In accordance with long standing practice over successive Governments the details of the contract for a major project need to be considered on its own merits. Notwithstanding, there is obviously a practical need for most materials to be sourced locally or at least within Australia. In the case in question the contract exercised its right to source the reinforcing steel through a local supplier which in turn obtained the South African steel.

GOVERNMENT ADVERTISING ON TELEVISION

3131. Mr BROWN to the Minister representing the Minister for Transport:

- (1) Further to question on notice No. 2743 of 1997, will the Minister advise if the work referred in sub-question (4), including -
 - (a) visuals/storybook for TV;
 - (b) production management TV;
 - (c) crew briefing TV;
 - (d) locations scouting,

were related to the preparation or production of television commercials?
- (2) If expenditure on these matters was not related to the production of television commercials, what was actually produced and how did the State gain from expenditure on these items?
- (3) Was any expenditure on these items or others referred to in sub-question (4) related to production or other costs involved in having items/stories -
 - (a) covered on commercial television stations or the public broadcaster;
 - (b) for industry or related videos;
 - (c) for videos for the general public;
 - (d) other?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) No.
- (2) Production of newspaper advertisements, strategy development, development of various publicity material, campaign support and Internet Website. Pressure from the Fix Australia Fix the Roads Campaign clearly played a part in the House of Representatives Standing Committee on Communications, Transport and Microeconomic Reform's Inquiry into Federal Road Funding being undertaken. It allowed Western Australian organisations to make comprehensive submissions to the Inquiry and to appear as witnesses at the Committee's public hearings in Perth in April 1997. Committee members also made a tour of inspection of some of the State's roads in the north, including the Great Northern Highway and the Tanami Road, giving them a better understanding of the issues confronting Western Australian roads and transport. The Committee reported its findings in the *Planning not Patching Report* tabled in Federal Parliament in November 1997.

The strong linkage that the Fix Australia Fix the Roads Campaign established between road trauma and road infrastructure highlighted the need for the Black Spot program which was re-introduced in the 1996 Federal budget.

One of the most significant achievements of the Campaign to date has been the shift in the public perception of the road network and the issues confronting it. In the metropolitan area especially, roads can sometimes be taken for granted and it is not until confronted with congestion or road trauma that road issues are even considered. Research undertaken after initial phases of the Campaign indicates that it has been successful in raising the public's understanding of road and road-related issues. This is not a campaign which stops and starts from one election to the next or one financial year to the next. The member should be aware by now that the Fix Australia Fix The Roads Campaign continues to highlight the problems faced by the nation's road system regardless who is in power in Canberra.

The Federal Government collects around \$10 billion per year from road users and returns only \$1.6 billion to the States and Territories for road improvements. It is estimated that there is an annual shortfall in funding for roads across Australia of \$2.5 billion for each of the next ten years. The member would also be interested in learning that there is increasing support for the Campaign across Australia, especially from

Local Government. The four advertisements made for Road Awareness Month have been run as community announcements on regional television in New South Wales by the Northern Rivers Regional Organisation of Councils.

A campaign using television and press has recently been completed in Canberra highlighting the need for, and the benefits of, improved roads in Australia. I am confident that this will have a positive outcome for roads and road transport in the next Federal budget. I am sure that the Fix Australia Fix The Roads Committee would be happy to brief the member, just as it briefed the Opposition's spokesperson on Transport last year.

- (3) No, but some preliminary work was carried out on possible videos and television commercials.

GOVERNMENT DEPARTMENTS AND AGENCIES - NATIONAL POLICY BODIES

3159. Mr BROWN to the Minister representing the Minister for Transport:

- (1) How many national policy bodies does the Minister and each of the departments and agencies under the Minister's control participate on?
- (2) What is the name of each policy body?
- (3) Does each policy body meet on one or more occasions during the calendar year?
- (4) Has the Premier and/or any of the departments or agencies under the Minister's control made representations to that policy body and/or the Commonwealth or other State governments for the policy body to be abolished or changed in any way?
- (5) If so -
 - (a) what was the nature of the submission made;
 - (b) when was the submission made?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

Minister for Transport

- (1) Two.
- (2) Australian Transport Council (ATC)
Ministerial Council for Road Transport (MCRT)
- (3) Yes.
- (4)-(5) Not applicable.

Main Roads Western Australia

- (1) Five.
- (2) Australian Transport Council (ATC)
Ministerial Council for Road Transport (MCRT)
Standing Committee on Transport (SCOT)
Transport Agency Chief Executives Committee (TACE)
Austroads Council
- (3) Yes.
- (4)-(5) TACE acts as a steering committee or reference group for the National Road Transport Commission (NRTC) which is a body established through Commonwealth legislation based upon intergovernmental agreements. In 1996, a review of the National Road Transport Commission and the legislation and agreements under which it operates was undertaken by a commissioner consultant with broad terms of reference. Main Roads made a submission to the review consultant which included suggestions for improvement to the way the NRTC operated. Main Roads also provided comments on the review report prepared by the consultant.

Fremantle Port Authority

- (1) One.

- (2) Minister's Advisory Council on Customs.
- (3) Yes.
- (4) Not on behalf of Fremantle Port Authority.
- (5) Not applicable.

Department of Transport

- (1) Six.
- (2) Australian Transport Council (ATC)
Ministerial Council for Road Transport (MCRT)
Standing Committee on Transport (SCOT)
Transport and Agency Chief Executives (TACE)
Motor Vehicle Emissions Committee (MVEC)
National Bicycle Council (NBC)
- (3) Yes.
- (4) MCRT and TACE - Yes.
NBC - Yes.
- (5) (a) MCRT and TACE - A joint submission by Transport and Main Roads Western Australia was made to the review of the National Road Transport Council Act and associated Intergovernmental Agreements for heavy and light vehicles. The NBC is seeking adoption by the ATC as a recognised body.
(b) MCRT and TACE - October 1996.
NBC - March 1998.

Westrail

- (1) Three.
- (2) Australasian Railway Association.
Standards Australia.
Australian Transport Council (Intergovernmental Agreement - Rail Safety Management Working Group).
- (3) Yes.
- (4) No.
- (5) Not applicable.

COMMONWEALTH REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE FUND
APPLICATIONS

3192. Mr GRAHAM to the Minister representing the Minister for Transport:

- (1) Has any organisation within the Minister's portfolio area made application to the Federal Government for grant funds made available under the Commonwealth Regional Telecommunications Infrastructure Fund?
- (2) If yes to (1) above -
 - (a) for what purpose was the application made;
 - (b) which organisation made the application;
 - (c) how many applications were made;
 - (d) how much funding is each application seeking;
 - (e) what amount of state funding is committed to each application;
 - (f) which other State bodies are joint applicants;
 - (g) which other State bodies have an interest in each application;
 - (h) on what date was each application submitted;
 - (i) has the Minister sought discussion with the Federal Minister to support each application;

- (j) which Federal Members of Parliament have supported each application;
 - (k) will the Minister make a copy of each application available?
- (3) If no to (1) above, why was no application made?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) No.
- (2) Not applicable.
- (3) Grants under the fund are for public telecommunications infrastructure. Communication networks in the Transport Portfolio are used principally for operational requirements. The network is not for public use and does not provide a direct community benefit.

HAMPTON ROAD, FREMANTLE - TRAFFIC CALMING STUDY

3225. Ms MacTIERNAN to the Minister representing the Minister for Transport:

- (1) What was the cost of the study of traffic calming in Hampton Road, Fremantle which was undertaken by the Snowy Mountains Engineering Corporation?
- (2) What was the finding of their report?
- (3) What did Main Roads recommend regarding traffic calming in Hampton Road as a result of commissioning the report?
- (4) What work is SMEC currently undertaking for Main Roads on the design of the Eastern Bypass?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) \$94 964.
- (2) A copy of the report is tabled for the information of the member. [See paper No 1433]

Clearly, the impacts of calming Hampton Road compared with the advantages of constructing the Fremantle Eastern Bypass are as different as chalk and cheese. The Bypass will greatly reduce costs to businesses and the wider community, reduce traffic volumes on many local streets throughout the Fremantle region and, in turn, relieve congestion, safety and environmental problems. In contrast, traffic calming will shift traffic problems from Hampton Road to other local roads in Fremantle, creating significant additional costs to businesses and the wider community, including increased travel, energy usage, accidents and environmental impacts.
- (3) There was no recommendation. However, based on the findings of the Snowy Mountains Engineering Corporation report, Main Roads would not recommend traffic calming of Hampton Road until the Fremantle Eastern Bypass is constructed.
- (4) Detailed planning and preliminary design for the Fremantle Eastern Bypass between High Street and Rollinson Road.

SPECIALISED CONTAINER TRANSPORT - SITES FOR RELOCATION

3255. Dr EDWARDS to the Minister for Transport:

- (1) What sites were offered by Westrail to Specialised Container Transport (SCT) for relocation of their operations?
- (2) When were these sites suggested to SCT?
- (3) What was SCT's reasons for rejecting the sites?
- (4) When does Westrail intend to remove the access rail lines to SCT premises in Welshpool?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

I presume the member is referring to Specialised Container Transport's rejection of Forrestfield as a location for establishment of a rail freight terminal and distribution centre prior to the Hon Minister for the Environment's determination that establishment of such a facility at Canning Vale is not environmentally acceptable. My answer is on that basis.

- (1)-(2) In early 1997, Specialised Container Transport was informed by Westrail of the potential availability of land at Forrestfield and I understand that the Company carried out its own inspection of that land.
- (3) I understand that Forrestfield was not Specialised Container Transport's preferred location.
- (4) A date for this work to be undertaken has not yet been determined.

GUILDFORD ROAD/CALEDONIAN AVENUE INTERSECTION - TRAFFIC LIGHTS

3257. Dr EDWARDS to the Minister representing the Minister for Transport:

In light of the Minister's commitment that the Main Roads Department would install traffic lights at a dangerous spot on Guildford Road at the intersection with Caledonian Avenue -

- (a) why has the Department down-graded the priority and put off the installation of the lights from the 1997-98 works program to 1998-99;
- (b) was the Minister informed that the Department had postponed the work;
- (c) what guarantee can the Minister give that it won't be put off again; and
- (d) what steps will he take this time to ensure that his announced promise to the people of Maylands will be carried out by the department?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (a)-(d) This project was listed for consideration but not included because of the other higher priority works. As advised in my letter to you of October 8 1997 this work will be undertaken in May or June 1999. The Commissioner of Main Roads is currently reviewing the priority for installation of traffic signals in the metropolitan and country areas.

WHITBY FALLS

Survey of Residents

3296. Mr McGINTY to the Minister for Health:

- (1) Was there a survey of Whitby Falls residents and their families in about 1995 about future services at Whitby Falls?
- (2) Has that survey ever been published?
- (3) Will the Minister make a copy of that survey available forthwith?

Mr PRINCE replied:

- (1) (a) Assessment of Mental Health Service Needs for People with Enduring Disabilities Secondary to Serious Persistent Mental Illness, April 1995, by consultant Jo Stanton in conjunction with Jill Cameron and Data Analysis Australia.
- (b) Whitby Falls Hostel report to Health Strategies. Compiled by staff at Whitby Falls Hostel, September 1995.
- (c) Resident's Satisfaction Survey (staff assisted questionnaire to 21 residents) 1995
- (2) (a) No, however the report was tabled at a meeting of the Ministerial Mental Health Taskforce on 16 June 1995.
- (b)-(c) No.
- (3) Yes. [See Paper No 1434.]

STEVEDORING COMPANIES

Sacking of Unionised Workforce

3317. Mr BROWN to the Minister representing the Minister for Transport:

- (1) Is the Minister aware of an article that appeared in *The West Australian* on Saturday 28 February 1998 concerning a minute being prepared for Federal Workplace Relations Minister Hon. Peter Reith MHR which outlined a plan under which stevedoring companies would sack their entire unionised workforce?
- (2) Have any discussions or communications taken place between the Federal Government and the State Government on this matter?
- (3) If so, what was the nature of those discussions or that communication?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) I am aware of the article.
- (2) No.
- (3) Not applicable.

MINISTER'S FAMILY

Government Credit Card Issue

3340. Mr RIPPER to the Minister representing the Minister for Transport:

- (1) Has the Minister's spouse, or any other member of the Minister's family, been issued with a Government credit card?
- (2) If yes, who was the card issued to and for what purpose?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

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

GOVERNMENT DEPARTMENTS AND AGENCIES

Staff, Vehicles, Mobile Phones and Government Credit Cards

3405. Mr RIPPER to the Minister representing the Minister for the Arts:

With respect to the Minister's Office -

- (a) will the Minister indicate for each staff person working in the Minister's office as at 1 March 1998 the following details -
 - (i) name;
 - (ii) level; and
 - (iii) type of employment contract;
- (b) how many vehicles are attached to the office and what are the names of the staff to which they are allocated;
- (c) how many mobile phones are available at the Minister's office and to which staff are they allocated; and
- (d) how many Government credit cards have been authorised for use in the Ministerial office and to which officers have they been allocated?

Mrs EDWARDES replied:

The Minister for the Arts has provided the following reply:

(a)	(i)	(ii)	(iii)	
	Karry Smith	Level 8	Monthly	
	Jim Thomson	Class 3	Permanent Public Servant	
	Chris Morris	Level 6	Term of Government Contract	
	Nick Wood	Level 6	Term of Government Contract	
	Julie Laurie	A/Level 5	Permanent Public Servant	
	Denise Doran Ortiz	A/Level 3	Permanent Public Servant	
	Stacey Johnson	A/Level 3	Permanent Public Servant	
	Dobrina Mutavdzic	A/Level 3	Permanent Public Servant	
	Helen Norris	Level 3	Permanent Public Servant	
	Anoutchka Payet	A/Level 3	Permanent Public Servant	
	Sandra Stewart	A/Level 3	Permanent Public Servant	
	Nancy Davies	Level 2	Term of Minister Contract	
(b)-(d)	(name)	(b)	(c)	(d)
	Karry Smith	vehicle	mobile	credit card (x2)
	Jim Thomson	vehicle* -		credit card (x2)
	Chris Morris	vehicle	mobile	-
	Nick Wood	vehicle -		-
	Julie Laurie	vehicle -		-
	Stacey Johnson	-	-	credit card (x1)

* Jim Thomson's vehicle is paid for by the Ministry of Justice

GOVERNMENT DEPARTMENTS AND AGENCIES

Staff, Vehicles, Mobile Phones and Government Credit Cards

3407. Mr RIPPER to the Minister representing the Attorney General:

With respect to the Attorney General's Office -

- (a) will the Attorney General indicate for each staff person working in the Attorney General's office as at 1 March 1998 the following details -
- (i) name;
 - (ii) level; and
 - (iii) type of employment contract;
- (b) how many vehicles are attached to the office and what are the names of the staff to which they are allocated;
- (c) how many mobile phones are available at the Attorney General's office and to which staff are they allocated; and
- (d) how many Government credit cards have been authorised for use in the Attorney General's office and to which officers have they been allocated?

Mr PRINCE replied:

The Attorney General has provided the following reply:

I refer the member to my answer to Question on Notice 3405.

GOVERNMENT DEPARTMENTS AND AGENCIES

Staff, Vehicles, Mobile Phones and Government Credit Cards

3409. Mr RIPPER to the Parliamentary Secretary to the Minister for Justice:

With respect to the Minister's Office -

- (a) will the Minister indicate for each staff person working in the Minister's office as at 1 March 1998 the following details -
- (i) name;
 - (ii) level; and
 - (iii) type of employment contract;
- (b) how many vehicles are attached to the office and what are the names of the staff to which they are allocated;

- (c) how many mobile phones are available at the Minister's office and to which staff are they allocated; and
- (d) how many Government credit cards have been authorised for use in the Ministerial office and to which officers have they been allocated?

Mrs van de KLASHORST replied:

The Minister for Justice has provided the following reply:

I refer the member to my answer to Question on Notice 3405. I really think that it is incumbent on members to keep some track of the questions they ask. All too frequently the same question is asked by a member within a short period. This answering of parliamentary questions is an expensive and time consuming business which although justified in the interests of democracy is not justified where it is just a waste due to negligence on the part of members. I would ask that you institute some controls in your office.

SALE OF GOVERNMENT ASSETS OVER \$1 MILLION

3428. Dr GALLOP to the Minister representing the Minister for Transport:

Will the Minister provide the following details for all Government owned assets sold since January 1993 (excluding land and building sales undertaken in the ordinary course of business, for example land sales undertaken by the Department of Land Administration), in both the general government and government trading enterprise sector of their portfolio areas, which had a sale value of \$1 million or more -

- (a) name and nature of the asset;
- (b) date sold;
- (c) nature of sale and name of buyer;
- (d) proceeds received from the asset;
- (e) associated revenue from the sale, such as stamp duty;
- (f) the application of the funds received; and
- (g) any associated costs incurred in the sale process?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

MetroBus

- (a) Bus Fleet.
- (b) June 17 1996.
- (c) Department of Transport - Transfer.
- (d) \$92 000 000.00.
- (e) Nil.
- (f) Debt Reduction and Leave Provision Funding.
- (g) Nil.

- (a) Bus Port.
- (b) June 30 1995.
- (c) Department of Transport - Transfer.
- (d) \$36 839 327.00.
- (e) Nil.
- (f) Debt Reduction.
- (g) Nil.

- (a) Morley Bus Station.
- (b) June 30 1995.
- (c) Department of Transport - Transfer.
- (d) \$2 276 997.00.
- (e) Nil.
- (f) Debt Reduction.
- (g) Nil.

- (a) Murdoch Park and Ride.
- (b) June 30 1995.
- (c) Department of Transport - Transfer.
- (d) \$1 921 415.00.
- (e) Nil.
- (f) Debt Reduction.
- (g) Nil.

- (a) Kwinana Freeway Bus Lane.
- (b) June 30 1995.

- (c) Department of Transport - Transfer.
- (d) \$6 763 669.00.
- (e) Nil.
- (f) Debt Reduction.
- (g) Nil.

- (a) Gosnells Bus Depot.
- (b) September 20 1997.
- (c) Department of Transport - Transfer.
- (d)-(g) Nil.

- (a) Rockingham Bus Depot.
- (b) September 20 1997.
- (c) Department of Transport - Transfer.
- (d)-(g) Nil.

- (a) Joondalup Bus Depot.
- (b) September 20 1997.
- (c) Department of Transport - Transfer.
- (d)-(g) Nil.

- (a) Trigg Bus Depot.
- (b) September 20 1997.
- (c) Department of Transport - Transfer.
- (d)-(g) Nil.

- (a) Causeway Bus Depot.
- (b) June 30 1997.
- (c) Department of Transport - Transfer.
- (d)-(g) Nil.

- (a) Fremantle Bus Depot.
- (b) March 20 1998.
- (c) Stevenson Nominees - Sale.
- (d) \$1 000 000.00.
- (e) Nil.
- (f) Close Down Agreement.
- (g) \$22 337.00.

- (a) Ticket Issuing Equipment.
- (b) June 30 1995.
- (c) Department of Transport - Transfer.
- (d) \$12 923 494.00.
- (e) Nil.
- (f) Clearance of Debt and Leave Provision Funding.
- (g) Nil.

Fremantle Port Authority

- (a) Portainer Crane.
- (b) March 1 1994.
- (c) Public Tender/Conaust Ltd.
- (d) \$3.36 million.
- (e) Nil.
- (f) Fremantle Port Authority - Debt Reduction Program.
- (g) Nil.

Main Roads Western Australia

- (a) Lot 500 Mills Street, Welshpool.
- (b) September 12 1994.
- (c) Private treaty sale after public auction. Ardross Estate Ltd.
- (d) \$1 100 000.
- (e) \$42 275.
- (f) Applied to the Main Roads Trust Account.
- (g) Agents fees of \$24 375.

Department of Transport

- (a) Land/Buildings - 136 Stirling Highway, 142 Stirling Highway, Nedlands.
- (b) June 17 1997.
- (c) Auctioned - Kingstyle Holdings.
- (d) \$2 383 417.30.
- (e) Stamp Duty - \$100 075.00.
- (f) Relocation and refurbishment of Head Office at Murray Street, Perth.

- (g) Amount paid to owners of 2A Marita Road - \$350 000.00. Chesterton selling commission - \$34 600.00. Chesterton auction expenses - \$6 982.70.
- (a) Land/Buildings - 1 Doonan Road, Nedlands.
- (b) June 17 1997.
- (c) Sale - MR & MT Johnston.
- (d) \$415 094.58.
- (e) Stamp Duty - \$13 615.00 (approximately less four per cent exemption for chattels).
- (f) Relocation and refurbishment of Transport Head Office at Murray Street, Perth.
- (g) Chesterton selling commission - \$4 210.00. Chesteron advertising \$1 537.00.
- (a) Building - 52 Southside Drive, Hillary (Part of Sorrento Quay Complex).
- (b) July 1 1997.
- (c) Sale - Skycorp Investments Pty Ltd.
- (d) \$2 790 698.60.
- (e) Penalty interest - \$14 498.60, Stamp Duty - \$8 866.00.
- (f) Small Craft Facilities Trust Account. To be used for the purpose of financing future acquisitions, replacement and improvement of assets.
- (g) Lawton Gillon Tyde selling commission - \$15 500.00 Lawton Gill Tyde fees and disbursements - \$8 300.00.
- (a) Ground Lease - Hillarys Boat Harbour - Holiday accommodation units.
- (b) March 15 1996.
- (c) Ground Lease - 99 years Lessee - Hay Construction Pty Ltd.
- (d) \$2 000 000.00.
- (e) Stamp Duty - \$8 625.50.
- (f) Small Craft Facilities Trust Account. To be used for the purpose of financing future acquisitions, replacement and improvement of assets.
- (g) Nil.
- (a) Ground Lease - Challenger Boat Harbour - Holiday accommodation units.
- (b) August 4 1994.
- (c) Ground Lease - 99 years Lessee - Tropical Nominees Pty Ltd & Hay Construction Pty Ltd.
- (d) \$1 300 000.00.
- (e) Stamp Duty - \$50 775.00.
- (f) Consolidated Revenue Fund.
- (g) Nil.

Westrail

- (a) Portion of land at the Robb Jetty marshalling yard.
- (b) May 19 1997.
- (c) Sale of land to the Western Australian Land Authority.
- (d) \$1 560 000.00.
- (e) Stamp Duty is paid by the purchaser, accordingly, the Member should direct this question to the Hon Minister for Finance. I am not aware of any other associated revenue.
- (f) Reduction of Westrail's debt.
- (g) Approximately \$100 000.
- (a) Portion of land at the Forrestfield marshalling yard.
- (b) August 7 1996.
- (c) Sale of land to Joe White Maltings Ltd.
- (d) \$1 400 000.00.
- (e) Stamp Duty is paid by the purchaser, accordingly, the Member should direct this question to the Hon Minister for Finance. I am not aware of any other associated revenue.
- (f) Reduction of Westrail's debt.
- (g) Approximately \$200 000.
- (a) Westrail's 50 per cent ownership of the transport company, Total Western Transport Pty Ltd.
- (b) April 3 1996.
- (c) Sale of share holding to Gascoyne Trading Pty Ltd.
- (d) \$7 000 000.00.
- (e) Stamp Duty is paid by the purchaser, accordingly, the Member should direct this question to the Hon Minister for Finance. I am not aware of any other associated revenue.
- (f) Reduction of Westrail's debt.
- (g) Approximately \$40 000.

METROBUS EMPLOYEES ON WORKERS' COMPENSATION

3454. Ms MacTIERNAN to the Minister representing the Minister for Transport:

- (1) Will Metrobus give employees on full or partial workers compensation payments access to redundancy and redeployment options when Metrobus ceases operations?

- (2) If not, why not and what provisions will be then made for such employees?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) Yes.
(2) Not applicable.

LEICESTER-AGNEW ROAD SEALING

3466. Mr BROWN to the Minister representing the Minister for Transport:

- (1) Have representations been made to the Government to seal the road between Leicester and Agnew?
(2) Has the Minister/Government offered to seal the road if industry will meet half or of some of the costs?
(3) What is the anticipated costs of sealing the road?
(4) What amount of that cost has the Government asked or suggested industry meet?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1)-(2) Yes.
(3) \$7 million.
(4) \$3.5 million.

TOTAL WESTERN TRANSPORT'S DIVIDENDS

3470. Ms MacTIERNAN to the Minister representing the Minister for Transport:

I refer to the dividends paid by Total Western Transport to Westrail, prior to Westrail's sale of its 50 per cent share in Total Western Transport to Gascoyne Trading Pty Ltd. -

- (a) will the Minister confirm that Westrail received the following dividends from Total Western Trading -
(i) \$425 000 in 1992-93;
(ii) \$500 000 in 1993-94;
(iii) nil in 1994-95; and
(iv) \$250 000 in 1995-96;
(b) will the Minister explain why Total Western Transport did not pay Westrail any dividends in 1994-95; and
(c) will the Minister provide details of the total dividend paid by Total Western Transport (to both Westrail and Gascoyne Trading) from 1992-93 to 1995-96?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (a) I can confirm that Westrail received the following dividends from Total Western Transport Pty Ltd:
(i) \$425 000 in 1992-1993;
(ii) \$500 000 in 1993-1994;
(iii) Nil in 1994-95; and
(iv) \$250 000 in 1995-1996.

This information is available in Westrail's Annual Reports.

- (b) Dividends were not paid in 1994-95 to conserve cash to meet Total Western Transport Pty Ltd's capital expenditure requirements.
(c) Dividends paid by Total Western Transport Pty Ltd to Gascoyne Traders and Westrail from 1992-1993 to 1995-1996 were as follows:
(i) \$850 000 in 1992-93;
(ii) \$1 000 000 in 1993-1994;
(iii) Nil in 1994/95; and
(iv) \$500 000 in 1995-96.

WESTRAIL'S DEBT

3471. Ms MacTIERNAN to the Minister representing the Minister for Transport:

I refer to the increase in Westrail's non-current private sector debt of \$127million in 1996-97, and the corresponding extinguishment of Westrail's \$81 million Consolidated Fund non-current debt -

- (a) whose decision was it to extinguish the Consolidated Fund non-current debt in 1996-97 and on what basis was the debt extinguished;
- (b) on what date was the Consolidated Fund debt extinguished in 1996-97;
- (c) on what date did Westrail increase its level of private sector debt in 1996-97;
- (d) what was the interest rates and other fees applicable to the Consolidated Fund debt; and
- (e) what are the interest rates and fees on the increase of private sector debt?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (a) Extinguishment of Westrail's Consolidated Fund non-current debt in 1996/97 was a Westrail/Treasury initiative which was sanctioned by Cabinet. The basis of extinguishment was the availability of cash and that there was a neutral impact on the Consolidated Fund.
- (b) Payments to extinguish the Consolidated Fund debt were made on 12 occasions between August 24 1996 and June 30 1997 inclusive.
- (c) Private sector debt was not increased in 1996/97.
- (d) Interest Rate of 10.53 per cent. There were no other fees.
- (e) Not applicable.

WESTRAIL'S SUPERANNUATION LIABILITIES

3472. Ms MacTIERNAN to the Minister representing the Minister for Transport:

I refer to the transfer of Westrail's unfunded superannuation liabilities from Westrail to the Consolidated Fund in 1996-97, and ask -

- (a) will the Minister confirm that annual staff superannuation expenses have been -
 - (i) \$10.1 million in 1993-94;
 - (ii) \$8.9 million in 1994-95;
 - (iii) \$9.0 million in 1995-96; and
 - (iv) \$6.4 million in 1996-97;
- (b) will the transfer of Westrail's unfunded superannuation liabilities reduce Westrail's annual superannuation expense;
- (c) if the answer to (b) above is yes, what is the estimated decrease annually, either in percentage or dollar terms, of the annual superannuation expense; and
- (d) if answer to (b) above is no, will the Minister explain how the reduction in Westrail's superannuation liability will not affect Westrail's future annual expenses?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (a) I can confirm the annual staff superannuation expenses have been:
 - (i) \$10.1 million in 1993-94;
 - (ii) \$8.9 million in 1994-95;
 - (iii) \$9.0 million in 1995-96; and
 - (iv) \$6.4 million in 1996-97.
- (b) Yes.
- (c) Approximately \$0.5 million.

- (d) Not applicable.

TOTAL WESTERN TRANSPORT'S SALE

3473. Ms MacTIERNAN to the Minister representing the Minister for Transport:

I refer to the sale of Total Western Transport by Westrail in April 1996 and in particular to question on notice No 1818 of 1997 -

- (a) has the matter relating to the adjustment of Total Western Transport's sale price to take into account superannuation fund surpluses been resolved;
- (b) if the answer to (a) above is yes, what was the outcome; or
- (c) if the answer to (a) is no, when will the matter be resolved and what is the likely outcome?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (a) No.
- (b) Not applicable.
- (c) Proceedings by the Trustee to wind up the Total Western Transport Pty Ltd Superannuation Fund will be completed in approximately three months. It is expected that Westrail will receive a benefit after tax of approximately \$250 000 plus a yet to be determined entitlement to shares in the superannuation investment company.

TOTAL WESTERN TRANSPORT'S SALE

3474. Ms MacTIERNAN to the Minister representing the Minister for Transport:

I refer to the sale of Total Western Transport by Westrail in April 1996 and in particular to question on notice No 1818 of 1997 -

- (a) will the Minister confirm that the book value of Westrail's share of Total Western Transport was \$3.6 million prior to the sale;
- (b) if the answer to (a) above is yes, when did that valuation take place;
- (c) were any other valuations of Total Western Transport undertaken; and
- (d) if the answer to (c) above is yes, when were these valuations undertaken, and what was the value given to Total Western Transport?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (a)-(d) I can confirm that the book value of Westrail's shares in Total Western Transport Pty Ltd was \$3.618 million prior to the sale of those shares. The book value of Westrail's shares in Total Western Transport Pty Ltd prior to the sale was established as follows and not by a formal valuation:

(i)	Plant and equipment transferred from Westrail to Total Western Transport Pty Ltd in July 1982	\$1.668 million
(ii)	Capital contributed by Westrail in July 1982	\$1.000 million
(iii)	Acquisition of additional shares in September 1984	\$0.450 million
(iv)	Acquisition of additional shares in January 1987	\$0.500 million
	Total book value	\$3.618 million

I understand that a valuation undertaken in July 1995 by Ernst and Young on behalf of Wesfarmers valued Westrail's shares in Total Western Transport Pty Ltd at \$3.950 million. Also, a valuation undertaken in December 1995 by Arthur Andersen on behalf of Westrail valued Westrail's shares in Total Western Transport Pty Ltd at \$8.711 million.

MAIN ROADS WESTERN AUSTRALIA REDUNDANCIES

3492. Mr BROWN to the Minister representing the Minister for Transport:

- (1) Is the Minister aware of an article that appeared in *The West Australian* on 10 March 1998 concerning Main Roads Western Australia seeking Cabinet approval for 250 redundancies?
- (2) Has the Minister approved the plan?
- (3) What is the level of redundancy payment under consideration and/or being offered to each employee?
- (4) Has the Government considered involuntary redundancy to reduce the Main Roads Western Australia work force?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) Yes.
- (2) I recommended the proposal to the Cabinet Sub-Committee on Labour Relations. The proposal was subsequently approved by Cabinet.
- (3) The standard Government Redundancy Package as provided for in the Public Sector Management Act.
- (4) No.

SCHOOL BUS SERVICE

Children Standing

3525. Mr GRAHAM to the Minister representing the Minister for Transport:

- (1) Does the Government have a policy regarding the number of school children that can be required to stand on a school bus?
- (2) If the answer to (1) above is no, what are the mechanisms to ensure that children are not required to stand on school buses?
- (3) If the answer to (1) above is yes -
 - (a) what is that policy;
 - (b) how long has the policy been in force; and
 - (c) how is the policy enforced?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) Yes.
- (2) Not applicable.
- (3) (a) The Road Traffic Regulations (1975) provide:

for omnibuses (other than school buses), that mass limits are not exceeded and the number of standing positions is no more than half the number of seated positions; and

for school buses, that vehicles with interior height of 1.5 metres or more may carry one and one-half times the seating capacity and vehicles with interior height less than 1.5 metres may carry the seating capacity of the vehicle.

For contracted school buses operating largely in the rural area, current policy provides that, in principle, every child should have a seat. However, approval may be given for children to stand but the number standing shall not exceed 20 per cent of the seated capacity (always provided that each child standing shall have access to two fixed handholds incorporated in the bus seats). Under special circumstances and for a limited period, approval may be given for the number standing to exceed 20 per cent.

- (b) The determination of passenger carrying capacity under the Road Traffic Regulation has been in force since 1987; the policy applying to the contracted school bus services since the mid 1970's.

- (c) The responsibility for monitoring the capacity lies with the operator; it is a requirement of contractual arrangements and is also enforced by the Police.

GOVERNMENT DEPARTMENTS AND AGENCIES

Equity in Provision of Services

3538. Mr GRAHAM to the Minister for Regional Development:

- (1) What steps are Government agencies required to take to ensure services are provided equitably to all West Australians regardless of where they live?
- (2) What is/are the mechanism/s used by the Government to ensure services are provided equitably to all West Australians regardless of where they live?

Mr COWAN replied:

- (1) All agencies are required to have a customer service charter which ensures standards in service.
- (2) The Government will review options to improve equity of access to services as part of its continuing refinement of its regional economic and social development strategies for Regional Western Australia. On 19 May 1998 I announced that the Government is developing a regional policy which will include consideration of establishing standards for the delivery of services to regional Western Australia.

GOVERNMENT DEPARTMENTS AND AGENCIES

Community Service Audit

3539. Mr GRAHAM to the Minister for Regional Development:

- (1) Has the Government established a Community Service Audit to measure the performance of State Government Agencies in improving the equitable delivery of Government Services?
- (2) If not, why not?
- (3) If so -
 - (a) who conducted the audit;
 - (b) when is the audit conducted;
 - (c) what was the cost of the audit; and
 - (d) will the Minister provide a copy of the results of the audit?

Mr COWAN replied:

- (1) No.
- (2) On 19 May 1998 I announced that the Government is developing a "whole of government" regional policy framework which includes consideration of establishing standards for the delivery of services to regional Western Australia.
- (3) (a)-(d) Not applicable.

JOHN HOLLAND CONSTRUCTION AND ENGINEERING PTY LTD CONTRACT

3575. Ms MacTIERNAN to the Minister representing the Minister for Transport:

I refer to the Minister's answer to question on notice No 1820 of 1997 and in particular to his reference to an amount of \$14,682 000 paid to John Holland Construction and Engineering Pty Ltd for capital works -

- (a) will the Minister explain the exact nature of those works; and
- (b) will the Minister inform the House if any of the works involved sleeper replacement, track reballasting, minor track works (and if so what was the nature of those works) or track strengthening and if so what were the amounts paid for those items?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (a)-(b) The works undertaken for the capital expenditure of \$14.682 million were as follows:

Resleepering - \$10.34 million

Nature of work: Replacement of failed sleepers on the narrow gauge railway.

Miscellaneous trackworks - \$2.24 million

Nature of work: Spot 'make-up' ballast, level crossing upgrades, minor yard rationalisation, joint rehabilitation and turnout component rehabilitation.

Track strengthening - \$1.28 million

Nature of work: Primarily flashbutt welding of track joints on the narrow gauge railway.

Renewal of rail and fastenings (annual program) - \$0.393 million

Nature of work: Replacement of damaged and head worn rail on curves.

Renewal of points and crossings (annual program) - \$0.373 million

Nature of work: Replacement of main line and yard turnouts.

Renewal of bridges and culverts (minor works) - \$0.024 million

Nature of work: Replacement of culvert decking.

Yard modifications (minor works) - \$0.032 million

Nature of work: Extension of track and other minor improvements.

WESTRAIL'S SLEEPER REPLACEMENT PROGRAM

3576. Ms MacTIERNAN to the Minister representing the Minister for Transport:

Was the sleeper replacement program considered capital or recurrent expenditure in Westrail's budget for -

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

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (a) Recurrent expenditure.
- (b)-(d) Capital expenditure.

WESTRAIL PROJECTS DELAY

3577. Ms MacTIERNAN to the Minister representing the Minister for Transport:

Will the Minister please explain why the projects for the "Integrated Operating Control System" and "New Track Strengthening" as cited in the Westrail 1996-97 Budget were delayed and when the new expected dates for completion are?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

When the track strengthening program was developed it was intended that rail would be transported from the work site to Forrestfield to be welded into long lengths. However, early in the project, it was decided to acquire mobile flashbutt welding equipment which had become available for purchase. This equipment allowed for flashbutt welding of rail to be undertaken in situ. The project was delayed while purchase of the equipment was being arranged and will now be completed in late 1999.

ZERA MEDICAL CLINIC BURGLARY

3597. Ms ANWYL to the Minister for Health:

I refer to the break-in which occurred at the Zera Medical Clinic in Midland where confidential medical records relating to terminations of pregnancy were stolen and released publicly and ask -

- (a) does Government policy support this action;
- (b) what actions has the Minister taken to protect the interests of other women whose medical records may be stolen and made public;

- (c) does the Minister consider that a special criminal offence should be created to deter this type of action as it relates to women who have undergone terminations of pregnancy?

Mr PRINCE replied:

- (a) No.
- (b) The Zera Medical Clinic is a private facility. The management of patient records within that facility is not a matter upon which I can comment. The security of patient records in public facilities has been considered recently and the policies and precautions applying to them are considered to be adequate.
- (c) Offences under the Criminal Code such as burglary and stealing are available to deal with the conduct of a "break-in" at premises.

BUS SERVICES

3615. Mr PENDAL to the Minister representing the Minister for Transport:

- (1) In regard to the Auditor General's June 1997 Performance Examination titled *Bus Reform: Competition Reform of Transperth Bus Services*, what is the progress of amendments to the Transport Co-ordination Act 1966 which will assist in reducing fare evasion on buses?
- (2) What progress has been made in the establishment of an inspectorate which will police fare evasions and provide support to drivers when needed?
- (3) What policing procedures have been implemented to ensure that companies abide by the high standards of service required by their contractual arrangements?
- (4) What changes to the complaints procedure has -
 - (a) made it easy to understand;
 - (b) encouraged passengers to make their concerns known; and
 - (c) widely advertised the service standards passengers can expect?
- (5) Does the Minister intend to provide guarantees to public transport passengers similar to the twelve guarantees provided by the public transport operator in Oslo, Norway, for example 'the company pays when passengers are more than 20 minutes late'?
- (6) If not, why not?
- (7) What system has been implemented to monitor the number of 'late trips' by operators?
- (8) Is the department implementing fines for late trips?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) An amendment to the Transport Co-ordination Act has been drafted and is awaiting passage through Parliament.
- (2) Transperth has established a Performance Monitoring Unit that operates system wide. The private operators will have the authority to issue infringement notices when the amendment referred in question one above becomes law.
- (3) The Transperth Performance Monitoring Unit was formed specifically to conduct regular and random service checks to ensure that service standards were being performed at the highest level of efficiency.
- (4) A dedicated complaints/feedback telephone line will be operational from 1 July 1998. This phone number will be promoted actively. The formalised complaints number will be placed on all Transperth material and is anticipated to be included on all major bus stands and facilities to ensure that the public make their concerns known to Transperth.
- (5) No.
- (6) Experience to date with the private operators indicates that service standards are being maintained at a level far higher than was able to be accomplished previously. Additionally, the contracts that the private

operators have signed provide for substantial fines to be imposed if performance standards are not maintained.

- (7) The Performance Monitoring Unit carries out system wide random surveys on service punctuality. Additionally, checks are also made using the data obtained from the Wayfarer electronic ticketing system.
- (8) All late running is investigated and to date, the majority of late running has been caused by traffic delays. In these cases the application of financial penalties was not considered appropriate.

NARROWS BRIDGE WIDENING

3620. Mr PENDAL to the Minister representing the Minister for Transport:

- (1) On what date did Main Roads begin preparing the latest proposal for the widening of the Narrows Bridge?
- (2) What are the specific reasons argued by Main Roads supporting the need to widen the Narrows Bridge?
- (3) What alternatives were proposed by Main Roads to the widening?
- (4) Why were these alternatives not adopted?
- (5) What disadvantages and/or objections were put forward by Main Roads to the proposed widening?
- (6) What is the present number of vehicles per day crossing the Narrows Bridge?
- (7) What was the number of vehicles per day crossing the Narrows Bridge in 1992?
- (8) Given the present vehicle usage and the projected population growth for Perth, how many years will it be until present levels of congestion on the Narrows Bridge will reappear?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) In October 1996, the Minister for Transport met with the then Commissioner of Main Roads who raised the issue of congestion and community concerns with delays on the Freeway system. Main Roads recommended that the Freeway system, including the Narrows Bridge, be reviewed to identify the work necessary to improve its efficiency.
- (2) There was no argument by Main Roads. Increasing traffic demand, congestion and safety issues have made improvements to the Narrows Bridge and Kwinana Freeway necessary. Widening of the Bridge will provide two dedicated bus lanes for improved public transport efficiency, increase capacity for cyclists and pedestrians across the bridge and improve traffic flow and safety generally.
- (3)-(4) The alternative of doing nothing to improve the operating efficiency of the Narrows Bridge would not be acceptable to the travelling public.
- (5) Main Roads proposed the project and its analysis indicated very positive net benefits to the community from the investment which will improve safety and efficiency of the Freeway and improve public transport access from and to the Southern suburbs.
- (6) 156 000 (June 1997).
- (7) 138 000 (June 1992).
- (8) Well into the next century, given implementation of the Government's Metropolitan Transport Strategy.

STIRLING STREET CLOSURE

3655. Ms WARNOCK to the Minister representing the Minister for Transport:

- (1) How long has Stirling Street been closed off in relation to the construction of the Northbridge Tunnel?
- (2) What was the original intended duration of the closure of Stirling Street?
- (3) When is Stirling Street due to be re-opened?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1) Since January 10 1998.

(2) To the end of April 1998.

(3) Monday, May 11 1998.

SAFETY BAY ROAD AND ENNIS AVENUE INTERSECTION

3659. Mr McGOWAN to the Minister representing the Minister for Transport:

- (1) In relation to the intersection of Safety Bay Road and Ennis Avenue, are traffic lights still going to be installed this year?
- (2) How are these traffic lights to be funded?
- (3) If they are not to be installed, why not?
- (4) If not, how was such a decision reached?
- (5) Is the Minister aware of the death of a person on this corner on 27 April 1998?

Mr OMODEI replied:

The Minister for Transport has provided the following response:

- (1)-(4) The recently announced extension of the Kwinana Freeway and the improvements to Safety Bay Road under the Transform WA initiative, provide for an interchange at this intersection by the Year 2000. An interchange will provide a higher level of safety than the previously planned traffic signals.
- (5) Yes. The need to provide an interchange as quickly as possible to alleviate accidents is certainly recognised by all concerned.

WARRANT EXECUTION MEETING

3689. Mr RIEBELING to the Minister representing the Attorney General:

With respect to a meeting to discuss a performance based model for the execution of warrants held on Wednesday, 11 March, 1998 -

- (a) did an employee of the firm Nationwide Mercantile Services attend this meeting;
- (b) if yes, what was the name of this employee and what was the employee's role in the firm;
- (c) has the Minister taken any action on the concerns raised in a letter to the Premier last year about people in the new system of warrant execution having criminal records; and
- (d) if yes to (c) above, what action has he taken?

Mr PRINCE replied:

The Attorney General has provided the following reply:

- (a) Yes.
- (b) Mr Ken Marriott, Accounts Manager.
- (c) Yes. It has been established that the person about whom the concerns were raised is only an employee of the company in question.
- (d) The matter was investigated and the company was found to be in compliance with the contract. Existing safeguards are considered to be sufficient.

MAMMOGRAMS

3696. Dr CONSTABLE to the Minister for Health:

- (1) Which public hospitals in Western Australia have the equipment required for mammography?
- (2) When was the equipment purchased?
- (3) How many mammograms were performed at each hospital in each of the last three years?

Mr PRINCE replied:

A (1) Albany Regional Hospital

- (2) Second-hand unit from Bentley Health Service - 1995
- (3) Approximately 750 each year.
- B
 - (1) Royal Perth Hospital
 - (2) Siemens Mammomat II with Stereotactic Accessories - purchased 1/1/89
SSA 270A Ultrasound Unit - purchased 2/11/92
Fischer Prone Biopsy Table/Athena Mammogram Machine - purchased 2/11/96
 - (3) 1995 - 1512
1996 - 1286
1997 - 1293
- C
 - (1) Sir Charles Gairdner Hospital
 - (2) Mammomat II - purchased 1990
Lorad Biopsy Table - purchased 1995
Dornier Breast Ultrasound - purchased 1995
 - (3) No figures available for 1995
1996 - 1490
1997 - 2116
- D
 - (1) Osborne Park Hospital
 - (2) November 1990
 - (3) 1995 - 1596
1996 - 1172
1997 - 1135
- E
 - (1) Kalamunda District Community Hospital
 - (2) This is a private facility becoming available in 1995.
 - (3) 1996 - 101
1997 - 97
1998 - 30
- F
 - (1) Fremantle Hospital
 - (2) 1995
 - (3) 1995 - 94
1996 - 168
1997 - 233

ABORIGINAL HEALTH

3698. Ms WARNOCK to the Minister for Health:

In relation to the Government's two-year plan for women (1996 - 1998) -

- (a) has the Health Department planned and purchased health promotion services in Aboriginal communities targeting injury prevention, alcohol related harm, road safety and domestic violence;
- (b) if not, why not;
- (c) has the Government established the Healthy Homes - Health Families Project to provide Aboriginal families and communities with the knowledge and skills to reduce common problems relating to poor health;
- (d) if not, why not; and
- (e) has the Government further developed Aboriginal maternal and child health problems such as that conducted in Kalgoorlie schools and in the Fitzroy Valley?

Mr PRINCE replied:

- (a) Yes.
- (b) Not applicable.
- (c) Yes.
- (d)-(e) Not applicable.

ELECTIVE SURGERY WAITING TIMES

3699. Mr McGINTY to the Minister for Health:

- (1) How many people are waiting for elective surgery at the following metropolitan hospitals in the urgent, semi urgent and routine categories at -

- (a) Joondalup Health Campus;
- (b) Osborne Park;
- (c) Swan Districts;
- (d) Armadale-Kelmscott;
- (e) Bentley;
- (f) Rockingham-Kwinana;
- (g) Peel Health Service; and
- (h) Kalamunda?

- (2) What are the waiting times for each surgical area at each hospital?

Mr PRINCE replied:

- (1) The information requested is not fully available due to a number of factors that are outside the control of HDWA. Two of these factors are:

The incremental implementation of TOPAS (The Open Patient Administration System) across metropolitan health services; and

Data transfer from PMAS (Patient Management and Admission System) to TOPAS was subsequent to implementation and therefore has not been completed.

The HDWA has issued Operational Instructions and guidelines to Health Services to provide rules for data collection, auditing and maintenance of wait list information. It is expected that by the beginning of 1998/1999 financial year, all non teaching hospitals will have a reliable system that allows for accurate data provision. Information is available for the following:

- (b) Osborne Park

Cases waiting per category

Category	number
Urgent	1
Semi-urgent	24
Routine	1369
Total	1394

- (d) Armadale-Kelmscott

Cases waiting per category

Category	number
Urgent	48
Semi-urgent	72
Routine	792
Sub Total	912
Unclassified	85
Total	997

- (e) Bentley Health Service

Cases waiting per category

Category	Number
Urgent	138
Semi-urgent	380
Routine	726
Total	1244
Unclassified	8
Total	1252

(2). Information available is for the following

Osborne Park Hospital

	Cases	Median Wait Time
ENT	9	.30
General Surgery	386	2.81
Ophthalmology	550	6.04
Orthopaedics	140	14.85
Plastic Surgery	32	1.51
Urology	141	5.09
Vascular Surgery	3	.49
Gynaecology	126	.92
Other	7	7.72
Total	1394	3.71

Armada/Kelmscott Hospital

	Cases	Median Wait Time
ENT	28	.30
General Surgery	204	2.04
Ophthalmology	220	3.01
Orthopaedics	128	3.75
Plastic Surgery	27	17.12
Urology	9	.20
Gynaecology	72	1.00
Other	309	1.54
Total	997	2.00

Bentley Hospital

	Cases	Median Wait Time
ENT	168	Not currently available
General Surgery	412	
Ophthalmology	342	
Orthopaedics	-	
Plastic Surgery	22	
Urology	2	
Gynaecology	208	
Other	98	
Total	1252	

MILLENNIUM BUG

3763. Ms McHALE to the Minister for Heritage:

- (1) I refer to the "Millennium Bug" computer problem and ask, is the "Millennium Bug" problem an issue for the departments or agencies under the Minister's control?
- (2) If so, when will the those departments or agencies have installed and tested all Year 2000 corrections?
- (3) What have been the total funds expended to date to correct the "Bug"?
- (4) What is the total cost estimated to be to install all corrective measures?

- (5) Do those departments or agencies intend to engage external resources to manage the process?

Mr KIERATH replied:

- (1) The Heritage Council is aware of the main risk areas, namely: computing, embedded chips and supply chain.
 (2) Target date 31 December 1998.
 (3) \$3 000.
 (4) \$5 000.
 (5) Not at this time.

NORTHAM HOSPITAL

3764. Ms McHALE to the Minister for Health:

- (1) Can the Minister confirm that the (old) Northam Hospital has been sold?
 (2) When was it sold?
 (3) What was the sale price?
 (4) Was the money reinvested into health services in Northam?

Mr PRINCE replied:

- (1) Yes.
 (2) 27 February 1998.
 (3) \$302,000.00.
 (4) No. A replacement hospital had already been built at Northam and funds were reapplied to Capital Works projects statewide.

VALUATIONS IN THE SHIRES OF KATANNING AND MUNDARING

3806. Dr EDWARDS to the Minister representing the Minister for Finance:

How many valuations have been undertaken by the Valuer General's office in -

- (a) the Shire of Katanning in the current financial year and the previous financial year;
 (b) the Shire of Mundaring in the current financial year and the previous financial year; and
 (c) what was the location and reason for each valuation?

Mr COURT replied:

The Minister for Finance has provided the following response:

- (a) Number of valuations made in the Shire of Katanning:

Type of Valuation	1996/97	1997/98 YTD (to 18/5/98)
Rating & Taxing General Valuation	2,321	2,454
Stamp Duty	17	17
Market Values	45	41

- (b) Number of valuations made in the Shire of Mundaring

Type of Valuation	1996/97	1997/98 YTD (to 18/5/98)
Rating & Taxing General Valuation	13,044	24,218
Stamp Duty	118	75
Market Values	77	18

- (c) All the above valuations took place within the Shire of Katanning or Mundaring

Within the Shire of Katanning:

Rating and Taxing valuations were made for the Katanning Shire Council, the Water Corporation of Western Australia and the Commissioner of State Revenue.

Stamp Duty Valuations were made for the Commissioner of State Revenue to enable him to collect the correct amount of ad valorem duty paid on the transfer of land and property.

Market Valuations were made for various Government Departments, Agencies and Instrumentalities including:

- Homeswest
- Westrail
- Agriculture WA
- Department of Commerce and Trade
- Central Great Southern Community Health Services
- Department of Land Administration
- Water Corporation
- Education Department of WA

Within the Shire of Mundaring:

Rating and Taxing valuations were made for the Shire of Mundaring, the Water Corporation of Western Australia and the Commissioner of State Revenue

Stamp Duty Valuations were made for the Commissioner of State Revenue to enable him to collect the correct amount of ad valorem duty paid on the transfer of land and property

Market Valuations were made for various Government Departments, Agencies and Instrumentalities including:

- The Department of Land Administration
- The Ministry of Justice
- Main Roads WA
- Water Corporation
- Office of Non-Government Education
- Western Power Corporation
- Education Department
- Ministry of Planning
- Homeswest

COUNTRY PATIENTS' DENTAL SUBSIDY SCHEME

3809. Mr GRAHAM to the Minister for Health:

- (1) What is the annual budget for the Country Patients' Dental Subsidy Scheme, for the period ending 30 June in the years -
 - (a) 1992;
 - (b) 1993;
 - (c) 1994;
 - (d) 1995;
 - (e) 1996;
 - (f) 1997; and
 - (g) 1998?
- (2) Who is entitled to use the scheme?
- (3) What are the guidelines for the scheme?
- (4) Does the scheme have a waiting list?
- (5) If the answer to (4) is yes,
 - (a) what is the average waiting period;
 - (b) what was the average waiting period one year ago;
 - (c) what was the average waiting period two years ago; and
 - (d) what was the average waiting period three years ago?

Mr PRINCE replied:

- | | | | |
|-----|-----|-----------|-------------|
| (1) | (a) | 1991/1992 | \$1,200,000 |
| | (b) | 1992/1993 | \$1,200,000 |
| | (c) | 1993/1994 | \$1,200,000 |
| | (d) | 1994/1995 | \$900,000 |

It should be noted that \$300,000 was taken from the Country Patients Dental Subsidy Scheme to fund the recurrent cost of public clinics at Busselton & Geraldton when the private dentists in these towns withdrew from the Scheme.

- | | | | |
|--|-----|-----------|-----------|
| | (e) | 1995/1996 | \$900,000 |
| | (f) | 1996/1997 | \$900,000 |
| | (g) | 1997/1998 | \$900,000 |
- (2) People who receive a full or near full pension or benefit from the Department of Social Security or are in receipt of Independent Austudy from the Department of Employment, Education, Training and Youth Affairs (DEETYA).
- (3) Eligible persons living in country towns where dental care cannot be obtained from a Government clinic can make application to receive a subsidy towards the cost of general dental care from a participating private practitioner. Before the treatment is commenced approval is given to the practitioner who is then required to ensure that the patient is fully aware of their contribution to the cost of that treatment. It should be noted that patients can obtain emergency care immediately and then receive a subsidy if eligibility can be established. The general care covers basic dental treatment including dentures.
- (4) Yes.
- (5)
- | | |
|-----|-----------------------------------|
| (a) | At present it is about 24 weeks |
| (b) | 8 weeks 1997 |
| (c) | 8 weeks 1996 |
| (d) | 6 weeks 1995 |

GOVERNMENT DEPARTMENTS AND AGENCIES

Staff

3834. Mr GRAHAM to the Minister for Works; Services; Multicultural and Ethnic Affairs; Youth:

What are -

- (a) the numbers of departmental staff in departments under the Minister's control located in the following towns -
- | | |
|--------|----------------|
| (i) | Port Hedland; |
| (ii) | South Hedland; |
| (iii) | Tom Price; |
| (iv) | Paraburdoo; |
| (v) | Telfer; |
| (vi) | Marble Bar; |
| (vii) | Nullagine; |
| (viii) | Karratha; |
| (ix) | Halls Creek; |
| (x) | Wiluna; |
| (xi) | Dampier; |
| (xii) | Roebourne; and |
| (xiii) | Wickham; |
- (b) the classifications of those staff;
- (c) the programs currently being funded in the towns listed in (a), in the departments under the Minister's control?

Mr BOARD replied:

I am advised that:

DEPARTMENT OF CONTRACT AND MANAGEMENT SERVICES

- (a)
- | | |
|------|-----------------|
| (i) | Not applicable. |
| (ii) | Two. |

- (iii)-(vii) Not applicable.
- (viii) Three.
- (ix)-(xiii) Not applicable.
- (b) (ii) Level 4 and Level 2
(viii) Level 7, Level 4 and Level 2.
- (c) CAMS does not fund programs in the towns listed in (a) above. However, CAMS regional offices currently manage nearly \$6 million of building related work annually statewide for other agencies, e.g. Education and Police.

STATE SUPPLY COMMISSION

- (a) Nil.
- (b)-(c) Not applicable.

OFFICE OF MULTICULTURAL INTERESTS

- (a) Nil.
- (b)-(c) Not applicable.

OFFICE OF YOUTH AFFAIRS

- (a) Nil.
- (b)-(c) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES

Staff

3835. Mr GRAHAM to the Minister representing the Minister for Racing and Gaming:

What are -

- (a) the numbers of departmental staff in departments under the Minister's control located in the following towns -
 - (i) Port Hedland;
 - (ii) South Hedland;
 - (iii) Tom Price;
 - (iv) Paraburdoo;
 - (v) Telfer;
 - (vi) Marble Bar;
 - (vii) Nullagine;
 - (viii) Karratha;
 - (ix) Halls Creek;
 - (x) Wiluna;
 - (xi) Dampier;
 - (xii) Roebourne; and
 - (xiii) Wickham;
- (b) the classifications of those staff;
- (c) the programs currently being funded in the towns listed in (a), in the departments under the Minister's control?

Mr COWAN replied:

The Minister for Racing and Gaming has provided the following response:

Office of Racing, Gaming and Liquor
Burswood Park Board
WA Totalisator Agency Board
WA Greyhound Racing Association

- (a) Nil.
- (b)-(c) Not applicable

Lotteries Commission

- (a) Nil
- (b) Not applicable
- (c) Nil.
Through its Community Funding Program the Lotteries Commission makes grants to community groups. Community groups from many of the locations listed have applied for and have received grants.

GOVERNMENT DEPARTMENTS AND AGENCIES

Staff

3838. Mr GRAHAM to the Minister representing the Minister for the Arts:

What are -

- (a) the numbers of departmental staff in departments under the Minister's control located in the following towns -
 - (i) Port Hedland;
 - (ii) South Hedland;
 - (iii) Tom Price;
 - (iv) Paraburdoo;
 - (v) Telfer;
 - (vi) Marble Bar;
 - (vii) Nullagine;
 - (viii) Karratha;
 - (ix) Halls Creek;
 - (x) Wiluna;
 - (xi) Dampier;
 - (xii) Roebourne; and
 - (xiii) Wickham;
- (b) the classifications of those staff;
- (c) the programs currently being funded in the towns listed in (a), in the departments under the Minister's control?

Mrs EDWARDES replied:

The Minister for the Arts has provided the following reply:

- (a) None.
- (b) Not applicable.
- (c) ArtsWA

Projects currently taking place in the towns listed:

Town of Port Hedland: Regional cultural planning - investment of \$15,000 - from September 1997 to September 1998

Shire of Roebourne: Engagement of a consultant to assist with development of cultural policy - investment of \$15,000 - from January 1998 to March 1999

Library and Information Service of WA (LISWA)

- (a)-(b) Nil.
- (c) The State Government through LISWA provides public libraries (where they exist) in the towns listed with book stock and other media such as videos, cassettes and CDROMS. In addition to stock, LISWA also provides the following funding:

Subsidies for Public Libraries: LISWA provides grants to the Town of Port Hedland and the Shire of Roebourne so that they are able to operate as Regional Libraries and thus provide regional support and training to staff of smaller libraries delivering public library services within the geographic region.

The Regional Libraries Online Project: This project, managed by LISWA and jointly funded by the State and Federal Government, has provided hardware, support and training to the Town of Port Hedland and Shire of Roebourne to establish free public Internet access at the Regional Libraries at South Hedland and Karratha.

QUESTIONS WITHOUT NOTICE

NURSES' DISPUTE

1181. Dr GALLOP to the Premier:

- (1) Does the Premier believe he has the support of the Western Australian public in his refusal to grant our nurses a fair and reasonable wage?
- (2) Can he indicate to the House which members of the Government support the position he takes on this issue?

Mr COURT replied:

- (1)-(2) I thought the Leader of the Opposition could do a bit better than this. He seems to have a short memory. In negotiations for wages across government from time to time issues come to a head. We had similar issues in relation to teachers. When in government, those opposite had similar crises. From memory, the first teachers' strike occurred in their time in office. On a constructive note, the Australian Nursing Federation wrote to the Minister this morning saying it was keen to resolve the issues, to sit down around the table and to negotiate, and to have some alternative options presented. We saw that as encouraging, and I have said so publicly.

Dr Gallop: Did you put more money on the table?

Mr COURT: As the member knows only too well, negotiations of this type are never easy. The taxpayers do not have an unlimited money supply. Unlike those opposite, we handle the finances responsibly and will negotiate a fair outcome with the nurses.

MARMION AVENUE SPEED LIMIT

1182. Mrs HODSON-THOMAS to the Minister representing the Minister for Transport:

- (1) Is the current speed limit of 70 kilometres an hour along the stretch of Marmion Avenue which runs through the electorate of Carine to be increased to 80 kilometres an hour?
- (2) If so, when will the change in the speed limit take effect?
- (3) Is there any evidence to suggest that such a move will improve the safety of the residents of Carine through a more uniform flow of traffic, resulting from a reduction in the incidence of motorists driving above the new speed limit?

Mr OMODEI replied:

The Minister for Transport has provided the following response.

- (1) Yes.
- (2) It will take effect in June 1998.
- (3) Yes; the revised speed limit will more realistically reflect the driving conditions of the road and the speed at which the majority of motorists are currently travelling.

TAXES AND CHARGES INCREASES

1183. Dr GALLOP to the Premier:

I refer to the Premier's admission on Tuesday that his promised social dividend to the people of Western Australia was a tax slug of \$300 for every average family. Can the Premier now provide the Parliament with a breakdown of each component of that \$300; and, if not, why not?

Mr COURT replied:

The Leader of the Opposition asked a question which covered his figures and our assessment of them. Yes; I can provide a break-up, but I do not have it with me. When trying to justify the figures from the Leader of the Opposition, Treasury had difficulty in working out what the figure was. I have no difficulty with providing that information.

TAXES AND CHARGES INCREASES

1184. Dr GALLOP to the Premier:

Will the Premier table the Treasury analysis about which he has just spoken before the end of proceedings today?

Mr COURT replied:

If it is available this afternoon, I will table it. If not, I will provide it to the Leader of the Opposition during the Estimates Committee next week. I will just make this comment in relation to the burden of taxes and charges: As a percentage of a person's average earnings, I am pleased to say that it is a lower figure than when those opposite were in government.

OAKAJEE DEEPWATER PORT

1185. Mr MINSON to the Minister for Resources Development:

Will the Minister provide this House with a brief report concerning any expressions of interest from local or international companies to build, own and operate the Oakajee deepwater port project north of Geraldton?

Mr BARNETT replied:

I thank the member for some advance warning of this question. The Government sought expressions of interest for a private development to own and operate the proposed deepwater port at the Oakajee site. We received seven expressions of interest. Proposals have been received from John Holland Construction and Engineering Pty Ltd; the Clough Engineering Group of Companies in association with Infratil Australia Limited; a consortium group of the Australia and New Zealand Banking Group Limited and Mid West Ports Construction; BEC Engineering Pty Ltd; Bechtel Australia Pty Ltd; and An Feng Kingstream Steel.

Ms MacTiernan: Is this to be supervised by your department or the Department of Transport?

Mr BARNETT: It is under the Department of Resources Development. The proposal is that while these companies do more detailed work, the Government will fund deep-sea drilling of the seabed and tests of the rock quarry site to share that information. I hope that by about August-September we will have identified the proposed developer of the deepwater port. If the An Feng Kingstream Steel project is ready to proceed, we will be ready to go ahead with the construction of the port.

TRANSPERTH BUS TENDER

1186. Ms MacTIERNAN to the Premier:

Yesterday in answering a question on the Transperth bus tender, the Premier read an extract from the tender document which he claimed demonstrated that the tender specification called for a guarantee of reliability.

- (1) Can the Premier specify where in the extract or in any other part of the tender document the requirement for a guarantee is stated?
- (2) Will the Premier now admit no such guarantee was sought from the tenders, but only information and evidence of reliability?
- (3) Does the Premier accept that it is grossly improper to exclude tenderers from consideration for not providing guarantees that have not been sought?
- (4) Will the Premier now reopen the tender evaluation to allow companies to provide the guarantees which the Premier says are so necessary?

Mr COURT replied:

- (1)-(4) In her question the member is implying that the tender process for the buses was improper and was not followed.

Ms MacTiernan: I am asking you to specify where in the document the guarantee of reliability is required.

Mr COURT: I will get to the member's question in a moment. All tenders were treated equally. All tenderers received identical tender documents and the evaluation panel, together with the tender evaluation process, including all meetings of the evaluation panel, was at all times subject to the scrutiny of professional probity auditors from Price Waterhouse in Perth.

Price Waterhouse provided written confirmation of the probity of the tender and the tender process to Transport in its letter dated 2 April 1998. The tender evaluation process which resulted in the recommendation of Mercedes-Benz as the provider of new Transperth buses, was also endorsed by the tenders committee of the Department of Contract and Management Services. The tender evaluation panel also included representatives from Crown Law, State Treasury and the WA Treasury Corporation.

The member has referred to my comments on Tuesday regarding guarantees of reliability, which by definition generally refer to promises or assurances, especially in writing, by a manufacturer that something is of a specified quality and generally includes an undertaking to make good any defects under certain conditions. The extract from the tender which I read made specific reference to both warranty and reliability. The tender in the manner in which it was framed provided an equal opportunity to all tenderers to give written undertakings, guarantees, warranties or assurances with respect to the products being offered. Mercedes-Benz, the successful tenderer, and the manufacturer offering clearly the best value for money product in terms of price and quality factors, provided a full manufacturer's warranty together with the following additional written assurances and undertakings.

Ms MacTiernan interjected.

The SPEAKER: Order!

Mr COURT: Mercedes-Benz has provided additional written assurances that it expects that the vehicles offered will meet the requirements stipulated of 16 years and 1 million kilometres. Mercedes-Benz will warrant for 10 years against latent defects and Volgren, the body builder, has a 10-year warranty against body structural failure and corrosion. Transperth has many Mercedes-Benz buses and over 100 Volgren units in operation and it has substantiated the longevity. Mercedes-Benz has provided the following additional written undertakings -

- (1) Transperth will have direct access to the full Mercedes-Benz resource package. Of particular importance is the technical support Mercedes-Benz Australia will provide for its engineering services' support field force.
- (2) Mercedes-Benz can also draw on and have access to overseas expertise from its parent company in Germany.

Mercedes-Benz responded to the opportunity presented by the reference within the tender to both reliability and warranty and provided additional written undertakings and assurances.

I shall return to the crux of this matter. The contract that was accepted deliberately allows the Government the option to choose whatever power source it likes in those buses. If Governments change in years to come, they will be able to make decisions as to which power source they put in under this contract.

Ms MacTiernan: You are locked into one manufacturer though, are you not?

Mr COURT: Yes, we are. The member is now getting to the point she is really driving at. The member is doing the bidding for other companies that were not successful and wants the contract reopened.

Several members interjected.

The SPEAKER: Order!

Mr COURT: The member cannot accept the fact -

Dr Gallop: You are on a bus ride to the Legislative Council committee that will look into this.

Mr COURT: There is confusion. Is the Leader of the Opposition saying that he does not want the contract reopened?

Dr Gallop: What you said about my colleague, the member for Armadale, was neither warranted nor justified. She is the person in this Parliament looking after the public interest.

Several members interjected.

The SPEAKER: Order! I think we have had enough interjections for a while.

Mr COURT: I said that the member -

Mr Thomas: Apologise now!

The SPEAKER: Order! I formally call the member for Cockburn to order for the first time.

Mr COURT: I said that the member for Armadale wants the tenders reopened.

Mr Gallop: You said that she was acting on the bidding of one of the companies. That is a disgraceful comment.

Mr COURT: Her question asks, "Will you reopen the tender evaluation?"

Several members interjected.

The SPEAKER: Order!

Mr COURT: They cannot even agree between themselves. We have gone through a very open tender process which has had all the checks and balances in place. As to the decision on diesel or gas buses, I have said that our preferred position would be to have all of that fleet gas powered. We have established an evaluation committee which has an independent chairman who has technical expertise in this area. It includes a person with environmental qualifications and a transport operator. Altogether there are five people on the committee. They will be looking at the progress of the five buses that have been chosen for comparison with the existing gas buses that have been operating now for some years and the performance of the new diesel buses. We have demonstrated our desire to improve the air quality and resolve some of the pollution issues.

The Opposition's decision for clipper buses was to put 20 year old, clapped out buses with diesel fuel in the heart of the city. We introduced the latest generation, low emission CAT buses in the city area. We will address the particular problem.

BUS PURCHASE

1187. Ms MacTIERNAN to the Premier:

As a supplementary question, if the Premier were able to obtain guarantees of reliability - which only yesterday were so important to him - in relation to the performance of gas buses, would he reconsider the decision?

Mr COURT replied:

I have just read out to the member the members of the evaluation panel. I am not a technical person.

Several members interjected.

Mr Kobelke: That is right. You are not an honest person either.

Withdrawal of Remark

The SPEAKER: Order! The member for Nollamara interjected and reflected on and impugned the Premier. I ask him to withdraw.

Mr Kobelke: I withdraw.

Questions without Notice Resumed

Mr COURT: The member with her supplementary campaign wants to have tenders reopened; it has nothing to do with the question of gas or diesel.

CONCESSIONAL FARES REVIEW

1188. Mrs HOLMES to the Minister representing the Minister for Transport:

- (1) When will the review on concession fares, which was scheduled for last October, be finalised?
- (2) At the conclusion of the review, when will the Minister be in a position to make a decision regarding the provision of concession fares for the carers of extremely disabled war veterans?

Mr OMODEI replied:

The Minister for Transport has provided the following response -

- (1)-(2) Transport expects to have a draft report by the end of June 1998. The draft report will be discussed with all affected parties before a final decision is made regarding the eligibility of particular groups for concession fares.

MARTIN, MR GRAEME

1189. Mrs ROBERTS to the Premier:

- (1) Is it fair that a firefighter who suffered horrific injuries during the course of his duties should be forced to pay his own medical bills while the Premier's Government resists his claim for just compensation?

- (2) Is this the way the Premier's Government treats its own employees who put their lives on the line safeguarding the citizens of this State?
- (3) Will the Premier show some compassion by making an ex gratia payment to Mr Graeme Martin in acknowledgment of his selfless and heroic efforts of 28 January 1995?

Mr COURT replied:

- (1)-(3) The question was asked yesterday of the Minister for Emergency Services. He answered that the matter was currently being addressed legally. However, I am prepared to make further inquiries on this particular incident. As you well know, Mr Speaker, on many occasions the Government has made special payments. The recommendations come through from the appropriate people in government. I will certainly make inquiries in relation to this case. The Minister made it very clear what had been done. I think members will agree that it is quite improper at times to interfere when the proper legal process is being followed.

PERTH'S WATER SUPPLY

1190. Mr BAKER to the Minister for Water Resources:

In view of the recent early winter rains -

- (1) What is the status of the Perth metropolitan area's water reservoirs?
- (2) Does the Minister foresee the possible need for continuing with or reintroducing water restrictions before the end of the current financial year?

Dr HAMES replied:

- (1)-(2) There has been a fair lack of rain in Western Australia, as I am sure the member is aware, not just this year but also last year. However, in comparison to last year, the storage in all of the metropolitan dams, including Mundaring Weir, is 194 458 megalitres as of 18 May this year. That is 81 071 megalitres less than at the same time last year, which represents 28 per cent of the combined dam capacity. That is very low but not as low as it has been in recent years. In 1996 it was just 23 per cent of capacity.

Dr Gallop: Nature and liberalism do not mix very well.

Dr HAMES: Of course they do. Every time I go to a country region which is short of rain, it rains. I am a godsend when I go out there.

Several members interjected.

The SPEAKER: Order!

Dr HAMES: A permanent daytime sprinkler ban is in place, as everyone is aware, and it is not the appropriate time to look at further bans until we see what happens over this winter. If we have a very low rainfall this winter, we will look at something for the following summer because, although we have enough capacity to cover the following summer, if we then have another dry winter we will be in a very serious position for the following summer.

We have been seeking available water from other sources. We are expanding our bore system further north, and that will mean that over the next two years an extra 300 gigalitres of water will be added to the system through underground water supplies, which is the equivalent of a new Canning Dam. I remind all members of the House and the public that 70 per cent of our current scheme water is used on gardens and lawns and I encourage everybody to be as careful as they can and make sure that they follow the water wise policy recommendations and do not use excessive water on their gardens and lawns.

INFLUENZA VACCINATIONS FOR SENIORS

1191. Mr McGINTY to the Minister for Seniors:

When will elderly Western Australians be able to go to their doctors and get the free influenza vaccinations that the Minister promised at the last election?

Mrs PARKER replied:

I thank the member for Fremantle for the question. I was chatting with the Minister for Health about this matter.

Mr McGinty: Can you chat with the seniors and tell them when they can get their vaccinations?

Mrs PARKER: This Government strongly believes that seniors should have a flu vaccination and it has made representations to the Commonwealth Government about that. Members of this House are aware that the Commonwealth Government has made an announcement on the allocation of \$20m to provide free flu vaccine for seniors right across Australia in the next financial year. Our position and that of Victoria and South Australia is that we have a commitment to free flu vaccine as part of that.

My office was contacted again today by Dr Wooldridge's office about the interim arrangement. That was the reason for my discussion with the Minister for Health. We will action whatever details since the announcement of the Budget -

Dr Gallop: Your answer is about as clear as the Limpopo River.

Mrs PARKER: I also raised the matter with the Minister for Health at the ministerial drugs strategy meeting two weeks ago at which he made a commitment to look at an interim arrangement for this financial year. As soon as that is available I will let this House and the seniors of Western Australia know.

INFLUENZA VACCINATIONS FOR SENIORS

1192. Mr McGINTY to the Minister for Seniors:

I thank the Minister for that interesting information. By way of supplementary question I ask when can seniors go and get their free vaccinations?

Mrs PARKER replied:

We have encouraged all seniors -

The SPEAKER: Order!

Mrs PARKER: We have encouraged the seniors in this State to have a free flu needle. Seventy per cent -

Several members interjected.

The SPEAKER: Order! Members, we have got to a situation where there are far too many interjections at the one time. I normally allow people who ask the question to have an interjection, particularly if the Minister wishes to pause and accept it.

Mrs PARKER: State money is available to be spent when the Federal Government comes up with its money. We will spend it as soon as it is available.

SWAN VALLEY ACCOMMODATION GUIDE

1193. Mrs van de KLASHORST to the Parliamentary Secretary representing the Minister for Tourism:

What is the significance to the Western Australian community of the launch last Tuesday of the "16 places to stay in the Swan Valley - WA's Oldest Wine Region" accommodation guide?

Mr BRADSHAW replied:

I thank the member for some notice of this question. I was privileged with the member for Swan Hills last Tuesday to launch "16 places to stay in the Swan Valley - WA's oldest wine region" brochure at Hanson's Guesthouse, Henley Brook. This heralded a new era of cooperation between accommodation establishments in the Swan Valley region. The new brochure provides a vehicle for 16 business tourism operations to reach a broader market place cost effectively, and helps to promote one of the State's tourism regions, the Swan Valley. The Government applauds such private enterprise initiatives and it is certainly gratifying to see such cooperation amongst operators.

The recent inaugural Australian Wine Tourism Conference held in Margaret River emphasised the growth potential of the wine tourism product and its importance to the fabric of tourism in this State. The work done in the Swan Valley is clearly leading the way in the development of partnerships between accommodation, wineries, gourmet food production, local cuisine and the nature based tourism activities in an effort to generate increased visitation. All these facets of the tourism industry presented their best for sampling at the launch and if this is an indication of the quality visitors can expect, the future of tourism in the Swan Valley is looking extremely bright.

The presentation on Tuesday was attended by a lot of media people plus people from the Swan Valley involved in wine production, accommodation and various other facilities obtainable in the Swan Valley area. If that was a sample of what we can expect, tourism in the Swan Valley has a lot to offer and will be one of the growth areas of tourism in Western Australia.

SMOKING BAN IN THE WORKPLACE REGULATIONS

1194. Mr McGINTY to the Minister for Health:

Given that there are only 10 weeks to go until the Government's ban on smoking in enclosed workplaces comes into force, will the Minister confirm that the Health Department has advised that it will be necessary to water down those regulations to achieve government policy?

Mr PRINCE replied:

As the member knows, I was asked a few weeks ago by Cabinet to come back to it with an implementation plan for the chairman's recommendations on the task force on passive smoking - the chairman being Hon Ian Taylor. His recommendations encompassed those that could be agreed between the parties represented on the task force and those which were in a sense a compromise.

The chairman's recommendations were presented to Cabinet which asked me to come back with that implementation plan. That has been signed off to come back into Cabinet. I am not in a position to answer one way or the other until Cabinet has seen the implementation plan and has made some decisions. It is not a Health Department recommendation. The Health Department did the work that I was asked to do and I am taking that back to Cabinet.

Dr Gallop: You are not answering the question.

Mr PRINCE: No. As soon as Cabinet has considered the matter and made a decision, there will be an announcement.

BUSSELTON CENTRAL PRIMARY SCHOOL

1195. Mr MASTERS to the Minister for Education:

Can the Minister advise on the progress of construction of the new East Busselton primary school, the anticipated date for closure of the existing Busselton Central Primary School and, of most importance to the Busselton community, the method and likely timing of the disposal of the vacated Busselton Central Primary School site?

Mr BARNETT replied:

I thank the member for the question and for the support that he is providing to Busselton schools. The relocation of the Busselton primary school to the new site at East Busselton will result in a wonderful improvement in education in the area. The new school will cost around \$4.8m and will be a state of the art facility, with all of the extras that are typical of new schools. The new school will be completed in time for the commencement of term 3 in 1998; so at the end of term 2, the students will move across to the new school.

The old school, which I understand is on three sites in Busselton, will be handed over to the Department of Land Administration, which will dispose of it. It usually disposes of school buildings by way of public auction. That site should fetch a high price, and I understand it will provide a good opportunity for some restructuring of the central business district of Busselton. Therefore, it will provide new investment opportunities in Busselton, and, most importantly, a new school for the beginning of term 3.

GOVERNMENT FLEET CONTRACTS

1196. Mr KOBELKE to the Minister for Works and Services:

I refer to the Auditor General's report entitled "Selecting the Right Gear", which was tabled in this House yesterday, and ask -

- (1) Will the Minister explain the reason that as a result of vehicles not being returned to FleetWest on time, an additional cost of \$2.1m had to be incurred by the Government?
- (2) Will the Minister provide an estimate of the financial cost of the 1 000 vehicles that were not returned on time in 1997?

Mr BOARD replied:

- (1)-(2) I thank the member for the question. I was delighted with the Auditor General's report from the perspective that he looked at the review of the financing of the fleet contracts and the way in which the fleet was being managed and indicated that the Government has saved nearly \$5m as a result of those fleet financing arrangements. That has been a great return, so I am pleased with the outcome of that report.

Some significant issues arise with regard to the management of the fleet, as is the case in any complicated and wide-ranging contract which needs to be constantly managed. We have just reorganised our fleet management contracts, and in June this year we will come down with some new fleet management contracts which will be even tighter arrangements than the ones we had previously. The Auditor General is very pleased with that, and as a result he thinks we will be able to maintain the savings that we made previously.

Mr Kobelke: But will you be able to answer the question?

Mr BOARD: I certainly will. I believe that as a result of a lack of control within some areas of the management of the fleet, some agencies have had excesses. We have been looking at that matter over the past six months, and we have reached a situation where under our new contract management arrangements we will ensure that does not happen again.

Late return has been a particular difficulty. One of the problems that agencies have faced is vehicles not being delivered by manufacturers on time. That has resulted from the fact that in many cases the management has not ordered the vehicles early enough. The vehicles have been ordered two or three months ahead when perhaps they should be ordered five or six months ahead to ensure that they are delivered on time. The manufacturers are aware of that, and as a result of the new fleet management contracts, I believe we will have that matter in hand. I am confident that we will be able to continue the savings that have been made at that level, and that will be a good return for the taxpayers.
