



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
THIRD SESSION
1999

LEGISLATIVE COUNCIL

Tuesday, 17 August 1999

Legislative Council

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

URANIUM MINING INDUSTRY

Petition

Hon Giz Watson presented a petition, by delivery to the Clerk, from 435 persons opposing the proposal to establish a uranium mining industry in Western Australia.

[See paper No 101.]

SCHOOL EDUCATION BILL 1997

Petition

Hon J.A. Cowdell presented the following petition bearing the signatures of 80 persons -

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

We the undersigned residents of Western Australia request that the Legislative Council maintain the principle of free, compulsory and secular education in Western Australian schools.

Your petitioners, therefore respectfully request that the Legislative Council amend the School Education Bill to prevent the Government from introducing compulsory and enforceable fees of \$60 per annum for each primary school student, and \$235 per annum for each secondary school student or any higher amount.

Your petitioners believe that compulsory fees would be an unwarranted charge on struggling families and lead to increasing reliance of compulsory fees to fund state schools.

Your petitioners request that the current system of voluntary school amenities fees, with payment for special events and services be maintained.

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

[See paper No 102.]

NUCLEAR WASTE DUMP

Petition

Hon Giz Watson presented the following petition bearing the signatures of 1 172 persons -

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

We the undersigned residents of Western Australia are totally opposed to the Pangea proposal to locate a high level nuclear waste dump in Western Australia.

Your petitioners, therefore, humbly pray that the Legislative Council will consider the health and welfare of the present and future residents of Western Australia and environmental impacts to be of more importance than profits from a high level nuclear waste dump that will present problems of a large magnitude for generations to come.

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

[See paper No 103.]

FUEL REVENUE REPLACEMENT GRANT

Urgency Motion

THE PRESIDENT (Hon George Cash): I have received the following letter -

Dear Mr President

At today's sitting it is my intention to move an Urgency Motion under SO 72 that the House at its rising adjourn until Friday 24th December 1999 for the purpose of discussing the \$43.8 million collected by the Commonwealth as "fuel revenue replacement grant" not allocated to the Road Trust Fund in the 1999/2000 Budget, and the division between the Minister for Finance and the Minister for Transport with respect to this \$43.8 million.

Yours sincerely

Hon Nick Griffiths MLC
Member for East Metropolitan Region

17 August 1999

Under the standing orders at least four members must signify their support for this motion by rising in their places.

[At least four members rose in their places.]

HON N.D. GRIFFITHS (East Metropolitan) [3.38 pm]: I move -

That the House at its rising adjourn until 9.00 am on 24 December.

The issue is this: Some years ago, petrol prices in this State were increased by the imposition of a fuel levy. The Government promised that the money raised would be spent on roads. The levy was sold politically on the basis that the money to be raised needed to be spent on roads. As a result of the decision of the High Court in August 1997, the State ceased to collect that money. The money was then collected by the Commonwealth on behalf of the State and returned to it. Therein lies the difficulty: The money has not been spent as promised. The matter was raised by the member for Armadale in the other place during the Estimates Committee hearings of the Legislative Assembly last May. I refer to the *Hansard* of those Estimates Committees. The facts are set out on page 771 in answer to a query of the member for Armadale. The answer states -

Following the August 1997 decision by the High Court to strike down State franchise fees, the hypothecation of fuel revenues to the Transport Trust Fund was abandoned. Commonwealth safety net payments that replaced the State's fuel revenues are paid into the Consolidated Fund without being earmarked for any purpose.

That is the key.

Hon Max Evans: We know that.

Hon N.D. GRIFFITHS: I know the Government knows that and the Opposition will remind the Government of it. The answer continues -

In 1999-00:

- (i) the contribution to the Transport Trust Fund will be \$250.3 million;
- (ii) subsidies paid to fuel suppliers will be an estimated \$163.7 million; and
- (iii) the Commonwealth fuel revenue replacement grants will be an estimated \$457.8 million.

The answer further continues -

The \$250.3 million allocated to the Transport Trust Fund . . . is the forward estimate of fuel franchise fees for 1999-00 at the time of the High Court decision. This is \$43.8 million less than the estimated net fuel revenue replacement grants . . .

The member for Armadale received that answer and brought the issue to the attention of the community. She exposed a pea and thimble piece of accounting on the part of the Minister for Finance, who released a media statement dated 15 July. The minister made an assertion in that statement which can be kindly referred to as doublespeak but which, frankly, is inaccurate. The minister stated -

WA motorists are not being short-changed in terms of the amount of petrol levy they pay being spent on roads, Finance Minister Max Evans said today.

I suggest that that statement does not equate with the facts. The minister went on to give a rather long-winded analysis, albeit one consistent with the answer I quoted from the Assembly Estimates Committee *Hansard*. Later in his media statement, the minister stated -

* this leaves a balance of \$43.8 million of the Commonwealth payment which is properly regarded as a temporary benefit to the State and remains in the Consolidated Fund.

"Properly regarded as a temporary benefit to the State and remains in the Consolidated Fund", and that is where it will remain; it is a pea and thimble trick. The money is not being spent on the roads as the Minister for Transport and the member for Nedlands would have us believe. The minister gave a further explanation and then referred to the temporary benefit, if it recurs, being eroded over time by the Grants Commission. However, the fact of the matter is that money raised for a particular purpose, from a levy sold to the public by this Government as being for that purpose, is not being used for that purpose and the Minister for Finance is engaging in some pea and thimble accounting to justify what has happened.

The real question is, does the Minister for Transport accept this situation? I will refer to the uncorrected *Hansard* of last Thursday because, in the course of a debate on a motion he had moved, the Leader of the Opposition made a number of observations and referred to this specific issue.

Hon M.J. Criddle: And I said I was going to give you an explanation.

Hon N.D. GRIFFITHS: That is right. The Minister for Transport will get that opportunity and I hope he takes advantage of it.

Several members interjected.

The PRESIDENT: Order, members! One at a time. I am trying to follow what is being said.

Hon N.D. GRIFFITHS: I refer to the uncorrected *Hansard* of Thursday, 12 August 1999, pages 5 and 6. I do so to illustrate what the Leader of the Opposition was referring to. The Leader of the Opposition made mention of the responsibilities of the Minister for Transport and then referred to the fuel levy paid by Western Australian motorists - he referred to this specific issue. The Leader of the Opposition referred to the Premier's role in this matter, and no doubt further mention will be made of that. The Premier is saying one thing and the Minister for Finance is saying another. The Leader of the Opposition mentioned the proposition that the money would not be spent on building and maintaining roads. The Minister for Transport interjected and asked -

Who said that it will not?

The Leader of the Opposition responded by pointing out what the Premier has said about the matter. He pointed out quite succinctly that the information provided to the Estimates Committee hearing in the other place was that \$43.8m was scheduled to go into consolidated revenue. Is that right or is the Minister for Transport right? The Minister for Transport interjected and offered to explain that. He did not proceed to explain it because members cannot make prolonged speeches by way of interjection. The Minister for Finance was clear on the point that this money, collected as fuel revenue by the Commonwealth for the State's benefit, totalling \$43.8m, ends up in consolidated revenue and is not used for roads as promised. By his interjections on the observations of the Leader of the Opposition, the Minister for Transport seemed to be suggesting otherwise. In addition, the Premier is sitting on a cloud pretending this \$43.8m has not left the road system at all.

It seems there is division in this Government. On the face of it, there is a division between the Minister for Finance and - dare I say it - the Premier, and between the Minister for Finance and the Minister for Transport. I would like to hear from the Minister for Transport about whether he agrees with the Minister for Finance, or with the Premier, or whether he has another view entirely. I note that we are dealing with a question of finance and that two of the ministers in the House are on the famous budget subcommittee of Cabinet.

Several members interjected.

Hon N.D. GRIFFITHS: I am sure these ministers are the budget subcommittee of Cabinet because they have all the attributes of members of that budget subcommittee. They seem to engage in pea and thimble accounting and have the capacity to ignore the true state of the State's finances.

Several members interjected.

Hon N.D. GRIFFITHS: When people dwell on the past too much, they forget to take into account what is happening at present. They forget about spending that specific \$43.8m on the roads because they think, as the Minister for Finance put it so aptly in his media statement, it "is properly regarded as a temporary benefit to the State . . .". He is pocketing it as a bonus. I regret to say that he is participating in a collusion against the electorate by his conduct. Those who dwell too much on the past - looking at some of the misdeeds of this Government, members opposite have much to dwell on - fail to take into account what they should be doing now; further, they fail to properly plan for the future.

HON M.J. CRIDDLE (Agricultural - Minister for Transport) [3.51 pm]: The Western Australian Government has taken road funding from \$329m in 1993-94 to \$806m this year, which includes -

Several members interjected.

The PRESIDENT: Order! The Minister for Transport has not completed his first sentence. Members should show courtesy to all members, the Chair and the Minister for Transport.

Hon M.J. CRIDDLE: I am happy to outline the funding and many of the initiatives of this Government. Road funding was \$329m when the guys opposite left government, and \$806m is currently allocated. I will run through the breakdown of that amount.

The allocation made to national highways is \$50.3m; roads of national importance, \$10m; the black spot program, \$4.3m; and interstate road transport, \$700 000. That amounts to a commonwealth contribution of \$65m. As announced in the federal budget of 11 May, another allocation will be made to take the amount to \$65.94m. State road funding is as follows: The allocation from vehicle licence fees is \$212m; the fuel levy replacement - the subject of the motion - \$242.5m; the consolidated fund, \$43.4m; loan funds, \$221m; and some other contributions take the state allocation to \$741.5m. That is a significant contribution to the road network. Do members opposite not want to see funding spent in the mid west, as represented by the Leader of the Opposition and Hon Kim Chance? That area will receive \$249m until 2008-09, and \$35m is directed to the mid west program this year. This indicates the advancements made in those areas, with the greatly called-for road upgrades in the Murchison. This issue has been in the public eye for some time.

Freight savings of about 20 per cent will be achieved as a result of road provision in the area, which will benefit the mining, pastoral and tourism industries. This motion deals with the fuel franchise levy, which was stopped by the High Court decision of August 1997. The fuel franchise revenue rates per litre which applied in August 1997 were 9.7¢ per litre for petrol and 7.45¢ a litre for diesel. The Commonwealth agreed to collect the safety net revenue on behalf of the States at a rate of 8.1¢ per litre for both petrol and diesel. The revenue which would have been collected in Western Australia today if the pre-High Court decision situation had applied is \$190.1m from 966 million litres of petrol, and \$60.2m from 108 million litres of diesel. The estimated collections forgone are \$250.3m, as referred to in debate. The revenue which would have been collected in Western Australia using the safety net revenue rate of 8.1¢ a litre is \$158.6m for petrol and \$65.04m for diesel. The estimated collections are \$223.64m. The State is supplementing that estimated collection by approximately

\$26.6m - namely, the \$250.3m, less the \$223.64m. This brings the transport trust fund back to the pre-High Court decision level.

Of the \$457.8m coming to the State from the Commonwealth, \$250.3m is directed to the transport trust fund and \$163.7m is rebated to fuel suppliers. This leaves a balance of \$43.8m of the commonwealth payment which is properly regarded as a temporary benefit to the State. This will remain in the consolidated fund. This resulted largely because off-road diesel fuel subsidies are lower than expected. Also, a benefit accrues from the indexation of the surcharge. If the temporary benefit recurs, it will be eroded over time by the Grants Commission, which will affect the consolidated fund, not the road fund.

Of the \$250.3m safety net revenue directed to the transport trust fund, \$7.8m is retained by the Department of Transport. That has been the case for a few years as a traditional amount. Main Roads receives \$242.5m for roadworks. This relates to the road funds expected had the High Court not made its decision. The growth in fuel sales is also accounted for. The amount in question is largely derived from the off-road diesel subsidies.

The Western Australian Municipal Association receives 25 per cent of the funding. The previous Labor Government's funding arrangement was to direct \$32m, and the figure is now \$167m. Members can go anywhere and find recognition of that arrangement throughout the local government community. A review is in place to reconsider that arrangement. The Western Australian Municipal Association appreciates the 25 per cent allocation. The previous Government applied a transport trust fund fuel tax of \$143m, of which \$43m was directed to the Transperth system. Over years, that figure to the road funding network was reduced. Up to \$44m was directed for the road funding arrangement, and consolidated revenue had to replace that funding.

The current arrangements are of great benefit to Western Australia. My comments clearly enunciate that the State Government is doing a great job with roads. I look forward to that process continuing in the future to the benefit of the people of Western Australia.

Point of Order

Hon TOM STEPHENS: I seek your advice -

The PRESIDENT: Order! If members speak before they receive the call, people in the camera room have trouble focusing on the member speaking. I ask members to bear that in mind.

Hon TOM STEPHENS: Is a device available to the House by which the Minister for Transport can be given more time so he can address the question before he resumes his seat?

The PRESIDENT: No point of order is involved. The Leader of the Opposition is well aware that urgency motions provide no opportunity for an extension of time. It is not for the Chair to enter debate on whether members have canvassed areas which may suit the convenience of another member.

Debate Resumed

HON TOM STEPHENS (Mining and Pastoral - Leader of the Opposition) [3.59 pm]: It is a pity that the Minister for Transport has not taken the opportunity to explain to the House the core differences between the explanations given on these matters, first, in the other House and, second, in claims made by the Premier. It is true that in his explanation, the Minister for Transport quoted at length from paragraphs contained in the media.

Hon Max Evans: He was not quoting that at all.

Hon TOM STEPHENS: They are the same words.

Hon Max Evans: The answer about the rebate is still the same.

Hon TOM STEPHENS: What the Minister for Transport quoted today is word for word what was in the media statement released by the Minister for Finance on 15 July, but it bears no relationship to, nor does it give any explanation for, the claim made by the Premier.

Hon Max Evans: Put the question on notice to the Premier!

Hon TOM STEPHENS: The Premier said -

We made a conscious decision. We had to increase the fuel levy by four cents a litre. There was an increase in motor vehicle registration fees and every single cent of that money has gone into the increase of road program.

Hon Max Evans: That is right.

Hon TOM STEPHENS: How can the Premier get it right -

Hon Max Evans: What you are talking about is not in the motion in any case.

Hon TOM STEPHENS: I have got it! The Ministers for Finance and Transport are both ganging up on the Premier! The Ministers for Finance and Transport have got the story right. The person who is the odd man out at the moment is the Premier!

Hon N.D. Griffiths: They would be the odd couple!

Hon TOM STEPHENS: That may be right. Perhaps that is the reason the Minister for Finance is about to lose his job. He

is awake to the fact that the Premier is making false claims, and he is not covering up for the Premier any more in his portfolio -

Hon Max Evans: That is a lot of garbage! You are talking rubbish!

The PRESIDENT: Order! Would the Minister for Finance stop interjecting, because we have a running conversation that must be very difficult to record. We only need one person at a time. If the Minister for Finance or Hon Ljiljanna Ravlich wishes to speak on the motion, I am sure there will be time.

Hon TOM STEPHENS: I do not know what the Minister for Finance does at the Budget Estimates Committee, but clearly -

Hon Max Evans: Nothing!

Hon TOM STEPHENS: He does not do anything! Okay! That may explain the invincible ignorance that is now the domain of the Premier, because the Premier has gone into the public fray and defended the record of this Government by claiming that -

We made a conscious decision.

He was conscious, but presumably the Minister for Finance was not. He continues -

We had to increase the fuel levy by four cents a litre. There was an increase in motor vehicle registration fees and every single cent of that money has gone into the increase of road program.

We know that is not the case, because as the Minister for Transport has just told us, and as the Minister for Finance has told us previously -

* this leaves a balance of \$43.8 million of the Commonwealth payment which is properly regarded -

Hon N.D. Griffiths: Two letters have been left out - "i" and "m"!

Hon TOM STEPHENS: He continues -

- as a temporary benefit to the State and remains in the Consolidated Fund.

Hon Max Evans interjected.

Hon TOM STEPHENS: The minister cannot have it both ways. Either the Premier has it wrong and is fibbing, or the Minister for Finance has it wrong and is fibbing. It is one or the other. The Minister for Finance said also -

It comes about largely because our off-road diesel fuel levies are lower than expected, although there is also a benefit from the indexation of the surcharge; and

* if this temporary benefit recurs, it will be eroded over time by the Grants Commission and this erosion will affect the Consolidated Fund, not road funds.

In other words, in order to ensure there is no erosion over time, they will have the erosion all at once and will make sure the funds are not there! That completely contradicts the assertions made by the Premier.

Hon W.N. Stretch: Are you the treasurer of that kindergarten lot over there?

Hon TOM STEPHENS: The Premier and Treasurer has made this assertion, on which we should be able to rely; he is, after all, the head of the Government and Premier of the State, and the official spokesperson for the Government. The Premier said in the wider public debate that "every single cent of that money has gone into the increase of road program". The Minister for Finance knows that is not the case, and the Minister for Transport has now owned up that that is not the case and has said that in order to ensure that there is not a gradual erosion of the full \$44m from roads -

Hon M.J. Criddle: What did you do about road funding when you were in government? Nothing!

Hon TOM STEPHENS: It is legitimate from time to time to refer to the past, but what is not legitimate is the attempt by the minister and his colleagues to live constantly in the past. They will learn nothing from the past if they engage in this attempt to deceive the people of Western Australia. That is what they are effectively doing. They go out and mouth things on Radio 6PR which are completely at odds with the truth. The Ministers for Transport and Finance cannot be part of a Government, surely -

Hon Ljiljanna Ravlich: They are not!

Hon TOM STEPHENS: It is a rabble! They are all over the place! These ministers of this Government know what the facts are, and they have outlined them to the House, yet they have tolerated the Premier's going public on this issue and saying that all these revenues to the State are being spent on roads, when they know that is not the case. The Minister for Transport knows that the road funding in the mid west of which he boasts is already on the slide. Programs that were supposed to come on stream right now have been blown out to the never-never and have gone past the next election date -

Hon M.J. Criddle: No, they have not.

Hon TOM STEPHENS: Yes, they have, and the minister knows that is the case. As Hon Ljiljanna Ravlich has explained, part of the reason is that not only has the minister had this removal of funds, as we have seen in this debate today, and to which the minister has owned up, but also he has been overspending with blow-outs on the subcontractual arrangements which have not delivered the cost efficiencies that -

Hon M.J. Criddle: That is rubbish, and you know it!

The PRESIDENT: Order! Would the Leader of the Opposition take his seat again while some of the members compose themselves.

Hon TOM STEPHENS: It is understandable that members on this side of the House who represent the bush, like Hon Kim Chance and I, are vitally concerned about this issue. That is why we do not like this level of deception in which the Government is engaged. We cannot have the situation continue where the Premier says one thing and ministers say another. If the Premier deceives the community, get rid of him! Do not let him do it!

Hon M.J. Criddle: This road program was put in place under that Premier!

Hon TOM STEPHENS: Join with Colin Barnett, join with Hendy Cowan, join with any dill, and get rid of him!

Hon Ken Travers: Doug Shave!

Hon TOM STEPHENS: Yes, Doug Shave - any of them - but do not allow the head of government to mislead the people with false claims like that.

Hon W.N. Stretch: Take a Panadol!

Hon TOM STEPHENS: That is what that member for the bush says to the people of Western Australia who are driving along the rough roads of the bush! That member has no concern for the motorists of the bush who have to put up with the loss of funds over which the Ministers for Transport and Finance are presiding! That is what that member says to the people from the bush about their efforts to have decent roads. He has no concern for the motorists in the bush who are having ripped out from under them the funds that the Premier has assured the community are there, which clearly, as has been evidenced by the contributions of the Ministers for Finance and Transport, have gone off to consolidated revenue and are being cut out now so that there will not be a gradual decline in funding. The long and the short of it is that, as Hon Nick Griffiths said, the Government is engaged in a pea and thimble trick. It is moving the thimbles around. However, the regrettable part is that when the thimbles are pulled up, there is no pea! There are no cents that add up to dollars. There is nothing that leads to the much-needed expenditure on the road system of this State. That is the great tragedy that has been put on display in this debate.

HON BOB THOMAS (South West) [4.08 pm]: The Minister for Transport proudly announced that the State Government had increased road funding from \$329m in 1992-93 to \$806m and expected the whole of the State to bow down and worship the Government because it had done that.

Hon M.J. Criddle: I did not say that. I said we have made a remarkable recovery from where you left it.

Hon BOB THOMAS: Two things need to be said about that. The first is that every penny of that increase in funding is coming from the taxpayers of Western Australia. That increase in funding is not coming about because the Government is better managing its budget; it is coming about because it has hit the taxpayers. Another point that must be remembered -

Several members interjected.

The PRESIDENT: Order, members! I am trying to listen to Hon Bob Thomas.

Hon BOB THOMAS: Another point that must be remembered is that this is the Government that is proud of its roads achievement. However, when we look at what is happening to other services within regional Western Australia, we see a litany of woe. I refer to health, education, community safety and police. Some of the police do not even have enough money to operate their vehicles.

There are two points. The first is that the taxpayers are paying for every cent of that increase from \$329m to \$806m, and it has come about through two revenue-raising mechanisms introduced by this Government. The first was the 4¢ a litre increase introduced, I think, in 1994.

Hon M.J. Criddle: Do you not agree with improving roads?

Hon BOB THOMAS: I agree. Let me finish. The first was a 4¢ a litre increase in the fuel levy. At the time the then Minister for Transport, Hon Eric Charlton, the Premier and everybody else on the government benches boasted that every cent of that would go back into roads. They compared it with the federal fuel levy and said how little of that went back into roads. That was inequitable, because those of us who live in the country are far more dependent on our cars and road transport than people who live in the metropolitan area and we have far greater distances to travel. Therefore, those of us who had to pay the 4¢ a litre increase were paying significantly more than were people who live in the metropolitan area. In addition, quite often the lower-income earners buy larger, older cars which are less fuel efficient, so it is a double impost on them. Therefore, this is an inequitable tax on particularly the poorer people who live in the country, and this Government was boasting that every cent of it would go back into roads.

The Government also increased the cost of registration of vehicles when it went to a new system based on the weight of a vehicle. The Government will raise this year about \$212m to \$220m from that revenue source. It was about \$70m, I think, in 1992-93. Again, this is inequitable, because those people who have larger, older, heavier cars and those of us who live in the country and who are more dependent on our cars are paying more. That measure was sold on the basis that every cent would go back into roads.

We know that there was a High Court of Australia challenge and there was some change in the way in which excises could

be collected. We were guaranteed at the time that there would be no change here in Western Australia and every cent would go back into roads. However, recently we found that not all of the money that is being raised here in Western Australia will go back into roads. In fact, there will be a \$43.8m shortfall. This Government is bulldusting all over the place trying to indicate that it will spend all of this money on roads. However, it is not, and it has been caught out by its own rhetoric.

One needs to ask why the Government is not allocating all of that extra revenue of \$43.8m to spending on roads. It is not being allocated to roads because this Government has mismanaged its budget so badly that it faces the prospect of a \$638m deficit this year. The Government has borrowed \$800m this year, and it will still end up with a \$638m deficit. That is why it is not allocating the \$43.8m to roads. It needs every cent it can get to go into the consolidated fund so that it can balance its budget. That is why this is not happening. That is why we have a diminution of services in country areas.

Hon M.J. Criddle: You blokes wasted more money than anybody else.

Hon Kim Chance: That is not true.

The PRESIDENT: Order! Hon Bob Thomas has the floor. Hon Kim Chance will have a few minutes in a moment if he gets the call.

Hon BOB THOMAS: I suggest to the Government that it should honour its promise and allocate all of that money to roads. It should allocate it to the Peel deviation and bring that work forward. For those people who do not know, the Peel deviation is an extension of the freeway and it will cost about \$130m. However, the Government will be spending \$60m dual-laning the highway from where it finishes 40 kilometres north of Bunbury.

Hon M.J. Criddle: So you do not want that? Do you want that or not?

Hon BOB THOMAS: We do not need to dual-lane from Mandurah to -

Hon M.J. Criddle: You would not dual-lane that area?

Hon BOB THOMAS: No, I would put in the Peel deviation. I suggest that the minister consider that. That is a better option. This surplus of \$43.8m will go a long way towards bringing forward those works. Once the freeway is dual-laned from Thomas Road, down through the Peel deviation and connecting to Old Coast Road, a further 20 kilometres of road would need to be dual-laned to meet up where the dual-laning finishes 40 kilometres north of Bunbury. If the Government used the \$60m that it is preparing to spend on the dual-laning of the Old Coast Road between Mandurah and Bunbury and this \$43.8m, it is almost up to the \$130m. I suggest that the work should be brought forward.

There are a couple of good reasons that this should happen. First, the population growth and changes to traffic management in Mandurah will increase the amount of time it takes for people to drive from Perth to the south west. A number of new traffic lights are being installed, and it is estimated that within the next 10 years it will take an estimated 20 to 30 minutes longer to drive from Perth to Bunbury or the south west as a result of what is happening in Mandurah. If we want to improve the efficiency of road transport between Perth and the south west, that is one good reason for bringing forward the Peel deviation. Secondly, if tourists coming to Western Australia want to drive from Perth to the south west on the Old Coast Road, there is no direct route. They must get onto the freeway, go down as far as Thomas Road, where it terminates, turn right into Thomas Road and go down to Rockingham Road, turn left into Rockingham Road, and try to remember to get off Rockingham Road and onto Mandurah Road. For tourists, it is not a direct route into the south west. The Peel deviation will allow a dual-lane highway from the centre of Perth down to Bunbury, Dunsborough -

Hon M.J. Criddle: How will you fund it?

Hon BOB THOMAS: I just told the minister. The Government has \$43.8m sitting there, plus it will spend \$60m or \$70m dual-laning the highway between where the dual lane terminates north of Bunbury and Mandurah. That is only \$20m short of the total cost of \$130m. If the \$43.8m which has been salted away to look after the deficit is added to the \$60m or \$70m, that is almost the same amount. I suggest that work should be brought forward, because there are major problems in the south west. Some major capital works should happen in that area as soon as possible to resolve some of the major employment issues in the area. This is just one item of work that can be brought forward which will cost little.

HON KIM CHANCE (Agricultural) [4.20 pm]: I said by way of unruly interjection that this Government's record in road funding has been pitiful. I should say that officially so that members can try to correct me. Its record has been pitiful, and I take back not one syllable. This Government's performance in road funding has had one high point: The raising of a 4¢ a litre state tax that has, until now, been spent on roads. While the Government is now falling short in respect of that integrity, the Premier is telling the people of Western Australia that that revenue is still being spent on roads. It is not. The one good thing this Government has done - if one calls taxing people a good thing - has been to raise that tax and to devote every cent raised to road programs. Although it is no longer doing that, the Premier is saying that it is. If a 4¢ a litre tax hypothecated to roads is a good thing, how much better would it be if the tax were 10¢ a litre? Is that the promise members opposite want the Labor Party to make to the people of Western Australia? I am sure Hon Jim Scott would love to hear that promise. That is the extent of this Government's commitment to roads.

Western Australia relies heavily on its commonwealth road structure. The important issue in the commonwealth-state financial relationship for road funding is the balance of the commonwealth-state funding. The last Minister for Transport told us that he would fix the situation with the wonderful Fix Australia, Fix the Roads campaign, to which he devoted significant public funds, including extensive local government funds. What happened to the level of commonwealth funding allocated to Western Australia as a result of that campaign? It decreased. We devoted all these resources to the Fix Australia, Fix the Roads campaign, and the net benefit was that we lost tens of millions of dollars of commonwealth funding.

We later established that after the change a major component of the road funding came as part of the financial assistance grant and \$70m was allocated to road projects. Not one cent of that was spent on roads; it was kept in the consolidated fund. We are seeing the same thing happening again. That is why I say this Government's performance with regard to road funding has been pitiful.

HON J.A. SCOTT (South Metropolitan) [4.23 pm]: The Greens (WA) have a very different position from that of the Labor Party on this matter. We would very much like to see more petrol tax and other road funding directed at getting people off the roads onto the public transport system and more extensive use of railways for freight haulage. I and my party would rather see a much more imaginative attempt to achieve that goal.

We certainly must maintain our roads in reasonable order. In recent years we have seen the Government involve itself in generally unpopular road projects that have more to do with providing showpieces in urban areas rather than dealing with deteriorating roads in rural areas. The failure to extend our rail freight services and to build up our public transport systems has led to extensive damage as a result of B-double trucks using roads that were not constructed to cope with them. That is causing huge problems for country shires. We need to repair roads rather than build new roads. The new road projects implemented have not been very wisely chosen. Those projects were largely put in place before the current minister came to office, but we are talking about this Government.

Hon Greg Smith interjected.

Hon J.A. SCOTT: We have massive projects involving magnificent roads to nowhere in some parts of the State. The Government seems to be more interested in setting up the infrastructure for the coming uranium industry than dealing with anything else. The Government should not have put a priority on some of those roads. Rural roads are increasingly being damaged. Meanwhile, the Government does very little in urban areas to get people out of their cars and, hence, to reduce pollution and greenhouse gases and to deal with the road trauma occurring in this State.

Much more can be done, but it will not be achieved by implementing the Labor Party's proposition that we pump every cent back into the road system. Roads impose a cost on the rest of the community. Road trauma costs this State about \$1.5b, and those costs must be taken into account in any road program. I understand some aspects of the Labor Party's proposition, but I do not support it.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [4.26 pm]: I have listened to this debate with some interest. I cannot believe -

Hon Tom Stephens: You just popped in.

The PRESIDENT: The Leader of the Opposition knows that that is not a reference condoned in this House. Members have access to broadcasts of the proceedings of this House. If they do not wish to sit in the House, they can listen to it or watch it outside. The fact that a member is not in the House does not signify any lack of interest.

Hon N.F. MOORE: I cannot believe the comments made by members opposite about road funding. They are grasping at the most extraordinary straw to attack this Government. I was here when the Labor Party was in power and half the money raised from the fuel levy was spent on public transport, not on roads. The Labor Government was taking money out of the pockets of road users and giving it to public transport users. Members opposite might think that is a good idea - I know Hon Jim Scott does. He thinks we should all walk to work.

Hon J.A. Scott: You are misrepresenting me.

Hon N.F. MOORE: Okay, he thinks only half of us should walk to work - the other half should take public transport.

The Labor Government's road funding record was appalling. Members opposite believe drivers and fuel consumers should pay for public transport in the city. There is no public transport in the bush, so bush drivers were paying a levy on their fuel for city commuters to ride to work on their very expensive train system. They know as well as I do that that is where the money went. This Government came into office with a commitment to improving roads across the State. The money raised from the fuel levy was spent on roads and the consolidated fund paid for the public transport subsidy.

This Government has embarked on a very significant road building program. The Minister for Transport read out a list of the projects being undertaken. I have been in this place for a long time arguing for the construction of roads such as those from Leinster to Mt Magnet, Wiluna to Meekatharra, and from Meekatharra north, roads in the Kimberley, the Pilbara and so on. For the first time in the 20-plus years that I have been here we have a minister who has been prepared to commit funds to those projects. I never expected that to happen. I did not think anyone would have the guts to make the decisions that were necessary to raise the money to provide -

Hon Kim Chance: What about the miles of road built during our term in office? Do you not give us any credit for them?

Hon N.F. MOORE: I have been trying to find them. The Labor Government spent \$300m compared with the \$800m being spent by this Government. It is very simple: We will now seal roads that under any previous arrangement would never have been sealed. People who live in -

Hon Kim Chance interjected.

Hon N.F. MOORE: The member should let me finish; I did not interrupt him.

People who live in the remotest parts of Western Australia will have bitumen roads for the first time ever.

Hon Kim Chance: That has always been the case.

Hon N.F. MOORE: Has Hon Kim Chance not been to Wiluna or Leinster, where bitumen roads were never considered to be a likelihood? The Government is prepared to build those roads.

Hon Tom Stephens: There will be no people left in Wiluna the way you are taxing the goldminers out of existence.

Hon N.F. MOORE: That was a silly interjection, because the only tax on gold was brought in by Hon Tom Stephens' federal colleagues. I will remind Hon Tom Stephens of that every time he opens his mouth on this subject. The Government can be proud of its road building program. Every time I go to local authorities around the State they say the same thing: They are doing very nicely, thank you very much, from receiving money they have so desperately needed for a long time. I would have thought the Opposition could find something else to whinge about other than road funding - something that had some substance to it.

Motion lapsed, pursuant to standing orders.

ADDRESS-IN-REPLY

Motion, as Amended

Resumed from 12 August.

HON J.A. SCOTT (South Metropolitan) [4.31 pm]: When I last spoke in this debate I drew the attention of the House to studies which showed that if we extrapolated the current growth of greenhouse gases, rather than a rise in temperature as expected by the Inter-Government Panel on Climate Change of 2.5 degrees Celsius, we can quadruple that to 10 to 14 degrees Celsius. That would be a catastrophe for this whole planet. For instance, some islands to the north of Australia are already starting to disappear as a result of global warming. Part of the island chain of Kiribati has started to go under water, and a couple of its islands are completely submerged. Some of those islands have an average height of seven metres above ground level, so a partial melting of the global icecaps could see water levels rise by 20 feet. A temperature rise of 10 to 14 degrees Celsius would result in a significant melting of the global icecaps.

Hon Derrick Tomlinson: It will not worry any of us.

Hon J.A. SCOTT: It is true that we will probably not be around, but certainly our children and our children's children will see the start of that. Although Hon Derrick Tomlinson is not worried about that, because he will not be here, more magnanimous members of this House may be concerned. I would very much like to see a number of measures put in place. The first measure that can be put in place in Western Australia, as can be seen from the comments from the government benches, is an understanding of the reality of this problem. Along with some of their colleagues in other places, such as those in the Republican Party in the United States, members opposite do not want to recognise this change. These sorts of people are causing significant concern to the world scientific community. A large group of scientists has approached the United States Congress and Senate to tell them to wake up, because this is a real situation and we must deal with it. We have absolutely no choice in this matter.

I have pointed out some of the changes that are occurring in other parts of the world such as Germany and Iceland. Iceland is moving to a hydrogen economy. These countries will benefit from a win-win situation by dealing with climate change and providing the technologies to reduce the production of CO₂.

Another matter should be mentioned when we talk about the level of greenhouse gases and the climate change that has occurred. Members will recall that I said the climate change we are experiencing now is a result of what happened 50 years ago. It takes about 50 years for the greenhouse gas to start affecting the climate. We are yet to feel the effects of the real levels of greenhouse gases that are being produced worldwide and in Western Australia. The effects will be felt mostly by our grandchildren. That is no legacy to leave future Australians. It will be a disgrace if we continue in this way. It is an extremely selfish, self-centred viewpoint by the current generation, and particularly Governments that are failing to take their heads out of the sand and deal with this problem.

Hon Greg Smith: Do you acknowledge that supplying gas to places like China that are now burning coal will contribute to the reduction in greenhouse gases?

Hon J.A. SCOTT: I have already acknowledged that gas produces a lower level of carbon dioxide than does the burning of coal. We also must acknowledge that we are doing nothing to move away from fossil fuels, and gas is a hydrocarbon that produces greenhouse gases. The use of fossil fuel is increasing. Normally, when the gas that is produced naturally around the Australian coastline is taken out of the ground, about 2 per cent of carbon dioxide is vented from that gas. However, the level of carbon dioxide that will be vented in the Gorgon field, which is the next big field that we will exploit, is around 21 per cent. If Hon Greg Smith is saying that the production of gas will reduce greenhouse gases, he is wrong; it will not.

Hon N.F. Moore: Are you opposed to that development?

Hon J.A. SCOTT: No; we must find the technology to deal with those issues instead of exploiting the gas resources, and selfishly punishing people in the future who will see their islands disappearing, and causing massive thunderstorms, cyclones and hurricanes.

Hon N.F. Moore: Are these things all caused by CO₂?

Hon J.A. SCOTT: They are indeed. I will quote an article in *The Ecologist* that I read out last week. The article reads -

The implications for life are immense. With higher temperatures, there is more energy driving the Earth's climatic systems, which in turn causes more violent weather events. Severe storms, floods, droughts, dust storms, sea surges, crumbling coastlines, salt water intrusion of groundwater, failing crops, dying forests, the inundation of low-lying islands, and the spread of endemic diseases such as malaria, dengue fever and schistosomiasis is on the cards if the consumption of fossil fuels is not phased out. Agriculture worldwide would face severe disruption and economies could tumble.

Hon Greg Smith: It is Nostradamus!

Hon J.A. SCOTT: It is not Nostradamus at all. That is the level of thinking of Hon Greg Smith. *The Ecologist* is a scientific magazine.

Hon Derrick Tomlinson: Will you identify the document?

Hon J.A. SCOTT: The authors are Simon Retallack and Peter Bunyard and the article is contained in *The Ecologist* Volume 29, No 2 of March-April 1999. At the end of the article it states -

Simon Retallack is the guest editor of this special issue of *The Ecologist*. Peter Bunyard - Science Editor of this special issue is the author of *Gaia In Action: Science of the Living Earth*. His forthcoming book on climate change is called *The Impact of Global Warming*.

Hon Tom Stephens: What weight do you give to the theory of the scientist from Tasmania who suggests that it is in fact the heating of the sun?

Hon J.A. SCOTT: There is a significant push, particularly by scientists who are funded by the coal companies, to put out this particular line in the same way as the timber industry has put forward a great deal of classy science. A majority of scientists in the world - 2 000 in fact - at the last convention on climate change signed a document stating that there is overwhelming evidence, and there is no doubt, that climate change is now occurring.

Hon Derrick Tomlinson: There is no what?

Hon J.A. SCOTT: There is no doubt that the human impacts are causing climate change.

Hon Derrick Tomlinson: They did not say what caused the problem.

Hon J.A. SCOTT: Human impact; they were talking about CO₂ in particular. There are variations in the sun's rays. However, there is also no doubt - it has been known for 30 to 40 years - that carbon dioxide causes temperature rises and greenhouse gases.

Hon Tom Stephens: You seem to be singing the same tune as the Chamber of Mines and Energy, which is expressing concerns similar to yours.

Hon J.A. SCOTT: What really worries me is the head-in-the-sand attitude of this Government, which wants to dig up little holes in the ground. I will back up the comments of the Leader of the Opposition by quoting from a Reuters article from the Internet. It states -

Oil giant BP Amoco proposed on Wednesday a specific tax scheme which would entice British firms to cut greenhouse gases and fight global warming, but said such taxes should only be used as a last resort.

Rodney Chase, president and deputy chief executive of the newly merged company acknowledged that there was a limit to what firms would do voluntarily to curb their energy emissions, and that an energy tax could be "a powerful instrument for changing behaviour."

According to a poll released by an environmental agency, Japanese firms favouring a tax on fossil fuels to curb environmentally damaging carbon dioxide emissions outnumber opponents of the idea for the first time. As I said previously, the real shame is that Australia, under this type of conservative Government, is being left behind in the move to new technology. Another article from Reuters states -

A Europe-wide energy tax and other measures to combat global warming will boost job creation in the European Union, according to a study released yesterday by a leading environmental group.

The study, carried out by the German Fraunhofer Institute for Systems and Innovation Research, said that "an energy/carbon dioxide tax would make an important contribution to the reduction in unemployment," and cited other research suggesting that up to 1.9 million new jobs could be created by such a tax.

The study comes the day before EU leaders meet in Cologne, Germany to discuss, among other things, a jobs strategy and measures to fight the greenhouse effect.

The same kind of story comes from the United States where a study has also been conducted. That Reuters article states -

The U.S. economy could benefit from cutting carbon emissions, creating nearly a million jobs as new pollution-free technology is employed next decade and energy is saved, according to a study.

Hon Tom Stephens: So we can't count on your support for the tidal project in Derby?

Hon J.A. SCOTT: I will leave my colleague Hon Giz Watson to comment on that. I am not opposed to tidal power. I am not sure whether that is the right model to use.

Hon Greg Smith: You don't support the production of greenhouse gases which may result from the tidal project.

Hon J.A. SCOTT: We are comparing a minuscule project with simple things that need to be done. The problem is that Governments, the Western Australian Government in particular, put their heads in the sand. The population of Australia has not been educated about the real problems we will have in the future with greenhouse gases and the huge impact they will have on our lives. Studies have been conducted overseas on those impacts. However, the only time that people notice these impacts in Australia is when they are referred to the studies of the Australian National University which show that we will probably lose the Great Barrier Reef. We know that we have lost Scott Reef as it has already died. When one considers the potential tourism that the Great Barrier Reef can provide, losing Scott Reef is a huge loss economically and environmentally for this State. Unless we convince people - if Governments are not convinced, people cannot do it - that they have a role to play, we will miss out on a potential two-thirds reduction of greenhouse gases because one-third is produced by transport. As I said previously in the debate, without affecting but in fact by improving our economies, we can vastly reduce the level of public transport and the need to travel. We can design better planned cities and urge people to use forms of transport other than cars and this will immensely reduce the emission of greenhouse gases. Household use, which is another area, is responsible for another third of emissions. Unless we educate people and unless Governments take this matter seriously, how on earth will we make any difference? Why are we missing out on the innovation side of this issue? Why are we not taking advantage of the situation and gearing up our industries and technologies for the future - not for the past as this Government is doing - so that they benefit from the climate changes, and why are we not doing something about the situation at the same time so that we do not pass on the problems that we have created to future generations? It is a disgrace that we are doing this. However, I support the motion.

HON JOHN HALDEN (South Metropolitan) [4.47 pm]: I welcome the opportunity to contribute to the Address-in-Reply. I will cover a number of matters but I will start from one perspective.

Many of us will remember driving, as I was, into Parliament House and hearing an interview on the ABC radio station at about 8.30 am on 29 July this year. During that interview it was revealed that the Executive Director of the Ministry of the Premier and Cabinet, Mr Jack Gilleece, had been doing consultancy work for three housing-related industrial firms. Since that revelation Mr Gilleece has resigned. It was found that Mr Gilleece had been involved in consultancy work for at least these three companies for up to two years. I understand the Premier has commissioned an inquiry into the matter and, from his initial comments, I understood he would ensure that all matters relating to Mr Gilleece and his supplementary employment outside Government would be placed before the public for its perusal. I understand that may not now be the case. My reason for raising the matter is that the Premier, or those who advised him, have glossed over an important issue, which I will come back to in a moment.

We are all aware that Mr Gilleece was being remunerated handsomely for his efforts. I understand from articles in the Press that he was receiving \$1 000 a month from the Fini Group of Companies, \$800 a month from Hegney Property Valuations and an unknown amount from Commodore Homes (WA) Pty Ltd, a subsidiary of the Buckeridge group of companies. By doing some simple mathematics, speculating that Commodore Homes was paying the same rate as the Fini Group and that Mr Gilleece was employed for the two-year period by all three companies - there is a considerable supposition in that - in spite of Mr Gilleece's \$144 000 a year salary, he has picked up an additional \$67 000. That is a fairly sizeable amount of money by anybody's calculations. I quote from *The West Australian* on 30 July last where the Premier is on record as saying -

I am advised that the issue is of a relatively small nature . . . But he knows only too well that there can be no grey areas in the operations of my office, so I respect the fact that he made the decision (to resign) quickly.

Of course the Premier would be pleased that Mr Gilleece resigned so promptly. It seems from the facts that he did not have the permission of the head of the department, Mr Wauchope, or of the Premier to perform these extra-employment activities and Mr Gilleece's resignation would lessen any potential impact on the Government.

There is a very important question that the Government has not asked; that is, did Mr Gilleece benefit from his relationships with these three firms because of his position as the Executive Director of the Ministry of the Premier and Cabinet? If he did, I suggest that there are some points of law that the Government has failed to explore. Maybe the Government's advisers, the Ministry of Justice - which is obviously very busy in regard to public matters - has not considered some of the legal equity issues in this matter, or perhaps it has not considered employment law or common law. These issues do have, or could have, a significant impact on Mr Gilleece's relationship and legal situation.

It must be asked whether Mr Gilleece got these contracts because of his position. Did he offer himself to these companies on the basis that he was in the employ of the Government or were these companies aware that he was employed by the Government and, therefore, thought that this would be opportune for them? I quote from an article which appeared in *The West Australian* on 30 July headed "Gilleece not used in State contracts" in which the managing director of Hegney Property Valuations, Mr Gavin Hegney, is reported as follows -

. . . until yesterday's news broke he was not aware that Mr Gilleece was employed by the Premier's Department.

He met Mr Gilleece at a function two years ago and Mr Gilleece later approached him to offer his services.

"He said he was a consultant to some politicians and had done work for Richard Court," Mr Hegney said.

To be fair, he goes on to say -

"He never said to me 'I can get you any favours or I can get you this or that'."

I am not suggesting, by the way, that Mr Gilleece ever did. The important thing is that Mr Gilleece said that he had a position with government. To continue -

Finis Group operations director Brett Draffen said none of the work done by Mr Gilleece related to government contracts.

He said the company was aware that Mr Gilleece worked in the Premier's office when he was hired.

Mr Draffen said the company was considering cutting its ties with Mr Gilleece.

I suggest that an important point here is that the Finis Group, through its operations director, was aware of Mr Gilleece's employment in the Premier's office. The public does not have any information about the arrangement with Commodore Homes, such as how much money Mr Gilleece was paid, on what basis he was employed or what factors were considered in his employment. All we can do is speculate about that. That situation is not satisfactory and I will explore it a little later.

What is known is that when Mr Gilleece was working for these companies, he used the facilities of government in that employment. An article in *The West Australian* of 31 July headed "Gilleece used Government equipment for private consultancy work" states -

Inquiries by *The West Australian* have revealed that Mr Gilleece used a taxpayer-funded mobile telephone to conduct business with firms for which he worked.

Finis Groups operations manager Brett Draffen said Mr Gilleece would come into the Finis Group office after hours or was contacted on his mobile telephone.

Valuer Gavin Hegney said he contacted Mr Gilleece on a mobile telephone and sent documents to a fax machine at Mr Gilleece's home.

The question is whether that home fax was taxpayer funded. Most senior executives in government have their faxes and phones at home either subsidised or paid for by the Government. The article goes on to say -

The mobile telephone number given to Mr Hegney was the same as that on a staff list of Premier's Department employee contact numbers.

It is not known whether the fax machine at Mr Gilleece's home was paid for or subsidised by the Government.

Another question now presents itself. The first one was: Did Mr Gilleece either get his job or was he offered his job on the basis of his position in the Premier's office? The second question is: Did he use the facilities of his employer when he functioned as a consultant, outside the terms of his employment and the rules of the Public Service? It appears that the answer to that may be yes.

On 31 July *The West Australian* reported the Premier as saying -

I don't want there to be anything that is not known publicly in relation to this particular issue.

We already have a situation where Commodore Homes is not putting anything on the public record and where the Premier said last week in the other place that there were some things, which he described as "personal", that should not be on the public record. I have some sympathy with that, but "personal" does not involve the collection or payment of this money, how the contract was entered into or the facilities used by Mr Gilleece to perform that contract. I suggest to this House those matters are very much in the public domain and the public needs a clear answer to those sorts of questions. The article that I am quoting from says that the Premier was sent a series of questions about Mr Gilleece, including a question about the fax machine. It reads -

The office replied: "While the director-general of the Ministry of the Premier and Cabinet is reviewing the relevant matters relating to Mr Gilleece, it is not appropriate to address issues such as those you have raised."

Those matters are pertinent, and not only in a narrow context. One can already see that the Premier is falling away from a position of total disclosure to one of, "We're going to have an inquiry."

Hon N.F. Moore: We are holding an inquiry.

Hon JOHN HALDEN: I will get to that - do not worry.

Hon N.F. Moore: He is not saying we'll have one; he is saying we have one.

Hon JOHN HALDEN: He was saying then that the Government would have an inquiry.

[Continued below.]

[Questions without notice taken.]

HON MAX EVANS - PERSONAL EXPLANATION

Varanus Island Oil Spill

HON MAX EVANS (North Metropolitan - Minister for Finance) [5.32 pm]: On Thursday, 12 August, Hon Giz Watson asked question without notice 36. During the course of my reply, I indicated that an inquiry was being conducted by the State Committee for Combating Marine Oil Pollution. That statement requires some clarification. The correct situation is

that an investigation was conducted by the Department of Minerals and Energy, which is a member of the advisory board to the State Committee for Combating Marine Oil Pollution.

ADDRESS-IN-REPLY

Motion, as Amended

Resumed from an earlier stage of the sitting.

HON JOHN HALDEN (South Metropolitan) [5.32 pm]: Before question time the Leader of the House and I were exchanging views about the inquiry that has now been launched into Mr Gilleece's involvement with private enterprise companies while he was executive director of the Premier's office. The leader was correct in saying that the inquiry is now up and running. For the sake of clarity, I will read into the record the terms of reference of that inquiry. I refer to tabled paper No 65 from the other place, and I hope that my reading it does not breach a standing order, but it is the only copy I have. It states -

The Director General has announced a senior officer from the Ombudsman's Office will conduct the review into Jack Gilleece's consultancies with private firms while employed in the Premier's Office. Mr Roger Watson is a Senior Investigator with the Ombudsman's Office, having worked there since 1993. Prior to that he was an Investigator with the Australian Securities Commission. He also served with the Western Australian Police Service for a period of 5 years.

To ensure the integrity of the review process, the Director General has also engaged former Assistant Auditor General for Western Australia, Mr Andy Yukich, to subject the inquiry process to a probity audit. Mr Yukich is a CPA with over 40 years public sector and audit experience. He held senior positions within the Office of the Auditor General, including Acting Auditor General, prior to his retirement in 1998.

The review will be conducted as a matter of priority. Mr Watson has been requested to inquire into and report on:

- (1) In respect of the period February 1993 to 29 July 1999, the nature, terms and extent of any arrangements, contracts, engagements or other such relationships between Mr Jack Gilleece, whilst he was employed with the Ministry of the Premier and Cabinet, and:
 - a) Fini Property Group;
 - b) Hegney Property Valuations;
 - c) Commodore Homes; and
 - d) Any other non-public sector organisations.
- (2) The arrangements, contracts, engagements or other such relationships, if any, that the organisations in (1) have or had with the Government, in respect of the period February 1993 to 29 July 1999.
- (3) Whether any conduct of Mr Jack Gilleece whilst employed with the Ministry of the Premier and Cabinet affected or had the potential to affect the relationships in (2);
- (4) Whether there was any conflict of interest or potential conflict of interest in respect of the arrangements entered into by Mr Jack Gilleece with organisations in (1) with his duties as an employee of the Ministry of the Premier and Cabinet.

This inquiry clearly can be seen to be concentrating on the issue of whether there was a conflict of interest. These terms of reference overlook a particularly important issue. It has spectacularly - if one were cynical, one might say deliberately - missed a significant point. That is the point to which I have referred throughout my speech and with which I will now deal in some detail. I refer to the issue of "position". It is interesting that Mr Court was quick to set up this inquiry and to concentrate on the issue of conflict of interest, but not so quick to address the equity law issue of position. It is a particularly clearly documented consideration in equity and employment law and has been dealt with in a number of significant cases. I will refer to the *Sea Fishing and Ice Co v Ansell* 1888 case, in which the matter was first clarified. That clarification was used in another case - *Reading v Attorney-General* - in 1951. The comments to which I will refer were made by Lord Denning, of whom I am sure most members are aware. CCH, second edition, *Contract of Employment* states -

... it is a principle of law that if a servant in violation of his duty of honesty and good faith, takes advantage of his service to make a profit for himself, in this sense, that the assets of which he has control, or the facilities which he enjoys -

Members should think about fax machines and telephones -

or the position which he occupies -

He was the chief executive officer of the Premier's office -

- are the real cause of his obtaining the money, as distinct from the mere opportunity for getting it, that is to say, if they play the predominant part in his obtaining the money, then he is accountable for it to the master. It matters not that the master has not lost any profit, nor suffered any damage. Nor does it matter that the master could not have done the act himself. It is a case where the servant has unjustly enriched himself by virtue of his service without his master's sanction.

The Premier did not know, the chief executive officer did not know, and he resigned on that basis. It goes on -

It is money which the servant ought not to be allowed to keep, and the law says it shall be taken from him and given to the master, because he got it solely by reason of the position which he occupied as a servant of his master.

I am sure this well-known point of equity law eluded not only the Government of the day, but also Mr Gilleece, because he earned \$60 000-odd, or whatever it was, in those two years. I suggest that perhaps it does not belong to him. That money may belong to the taxpayers of Western Australia or the Treasury Corporation. This inquiry, I am sure with the cognisance of the Premier, started by Mr Wauchope with these well-intentioned, well-credentialed people on it, has inadequate terms of reference. In this matter who will protect the interests of the taxpayers and their money? At this point nobody will, because that will not be investigated. It seems to me that there has been an oversight - I am not being cynical about these matters - and I am sure it is no more than that. I hope the Government and the Minister for Finance, who under oath has the opportunity to protect the law of the land and the State's finances, will rush immediately to ensure this matter will be investigated properly. In this matter we could be dealing with money that belongs not to Mr Gilleece, but to the taxpayers of Western Australia, whatever the amount. We do not even know how much Commodore Homes (WA) Pty Ltd was paying him. As taxpayers, we all have the right to know exactly what that company was paying him, because it could be our money.

Last week in the other place, the Premier said that there could be private matters that should not be divulged. That may well be the case, and they should not be divulged; however, payment made by these companies to Mr Gilleece must be divulged. On what basis was he employed by those companies? Did they know where he worked? Did he use that as a point of bargaining? All that must be established if this inquiry is to be thorough and exhaustive. I do not want to dwell on just one point of law. I refer to the case of J. Macken and Others, reported in the section entitled "Employee's Duties" on page 46 of *The Common Law of Employment*. This article quotes the one to which I have just referred. I draw attention to it because it might support my view in this matter. It states -

Furthermore, "it is a term of all such employment, apart altogether from any express covenant, that any intervention of discovery made in the course of employment of the employee in doing that in which he was engaged and instructed to do during the time of his employment, and during working hours, and using the materials of his employers, is the property of the employer and not of the employee and that, having made a discovery or invention in the course of such work, the employee becomes a trustee for the employer of that invention or discovery and he is, therefore, as a trustee, bound to give the benefit of any such discovery or invention to his employer."

One of those cases comes from the result of a Privy Council decision before the turn of the century. Members may say that they are nice, antiquated points of law that perhaps have little relevance in today's society. I will mention a couple of other cases to indicate the contemporary nature of this point of law. The first is the case of Colour Control Centre Pty Limited and CCC Enterprises Pty Ltd v Ricardo Ty, Deborah Rando and Photo Technical Pty Limited, in the Supreme Court of New South Wales Equity Division before Judge Santow, heard in Sydney on 28 and 29 June 1995. The introduction to the report states -

This matter concerns a claim by the Plaintiffs against two former senior employees and their company, formed to compete against the Plaintiffs. The Plaintiffs allege that one of the former employees, the Second Defendant, acted in breach of her contractual or fiduciary duties by usurping a business opportunity in the Plaintiffs' line of business. This work was obtained while both the First and Second Defendants were still employed by the Plaintiffs, starting from a contract gained by virtue of the Second Defendant's position as a manager of the Plaintiffs. The Plaintiffs allege that the First and Third Defendants dishonestly assisted in the Second Defendant's breach of fiduciary obligation, so giving rise for liability as accessories. The Plaintiffs bring an action for damages, or in the alternative, for an account of profits.

I refer to point 46 of this judgment. Again, this judge makes reference to the Denning comments about the 1951 Reading case, and states -

First, an employee may not retain, without approval, any profit or property the opportunity for the acquisition of which was furnished by the employment . . .

Numerous other legal sources are quoted there. Another matter heard in the New South Wales Supreme Court Equity Division on 22 August 1997 before Judge Young involved the Minister for Mineral Resources and Newcastle Newspapers Pty Ltd. In this matter the Reading case was quoted again. I refer to a small section which states -

If someone uses their position as my servant to make a personal profit, I can recover . . . Essentially the principle is the same. There had been an unjust enrichment and there must be restitution.

With that body of legal opinion, I suggest that the Government has overlooked this facet of the law. It must investigate whether Mr Gilleece obtained his consultancies on the basis of his position within the office of the Premier, and whether he used the facilities of his employer to assist him with those consultancies. If there is thought to be a prima facie case, I suggest it is almost incumbent on the director general, Mr Wauchope, to seek a declaration in the Supreme Court to allow the Government to argue for restitution in this matter. This is the essence of the matter: If Mr Gilleece got these consultancies by way of position, the money he has earned is not his; it belongs to the Treasury or the taxpayers of Western Australia. Ultimately, that matter must be decided by a judge, after substantial argument is put whether that is the case. In investigating Mr Gilleece - this could be said about him superficially - the inquiry must ascertain whether he has gained some benefit, presumably from his position in the Premier's office, or has used the facilities of the Premier's office. To support what I suggest in this matter, we should go to *The West Australian* of 3 August 1999. An article entitled "Companies cut their links with Gilleece" states -

Fin Property Group, which paid Mr Gilleece \$1000 a month to write and proof read publicity material, said it had ended the arrangement. . . .

Hegney Property Valuations, which paid Mr Gilleece \$800 a month to write press releases, said it would put the consultancy on hold until the matter was cleared up. . . .

The third company which employed Mr Gilleece was Commodore Homes, which is controlled by long-time Liberal supporter Len Buckeridge. The company and Mr Buckeridge have refused to comment.

One can draw an interesting line. If there is any basis to the suggestion that Mr Gilleece got these contracts by virtue of position and not because he was a very good advertising consultant, why were these consultancies terminated or placed under review after he had basically resigned from the Premier's office? It is an interesting proposition to say the very least. An inquiry is currently being conducted by a retired assistant Auditor General and somebody from the Ombudsman's office, under the authority of Mr Wauchope, and it is appropriate for this matter to be viewed along with the rest. Why did Mr Gilleece have to resign? It may not have been that he had a conflict of interest; I do not know, but we will investigate the possible conflict of interest on the basis of our not knowing. Therefore, it is equally incumbent upon us to investigate whether Mr Gilleece secured those consultancies on the basis of his position. The consequences of any conflict of interest most definitely should be investigated and so too should the concept of position. It should be investigated likewise because one cannot have -

Hon Jim Scott interjected.

Hon JOHN HALDEN: Yes. We cannot have a situation where a person in that sort of position, with that sort of information, that sort of knowledge and that much influence, can perhaps be out in the marketplace with property developers; basically that is what they are. It looks rather peculiar, to say the very least, that this wonderful public relations consultant - obviously a man of enormous potential because he was being paid to work, as he said, basically outside his time in the Premier's office, 40, 50, 60 hours a week - obviously a man of significant abilities bearing in mind the sort of money he was being paid, suddenly, the moment he is not in that position, no longer has the consultancies - at least with one company. Another is reviewing the position and God only knows what is happening in Lennie's company. We have a right to investigate this matter. If this money was gained improperly, we have a right to restitution. That is the law. A conflict of interest by a senior public servant breaches the law, and so does basically selling oneself for profit because of one's position.

Hon Kim Chance: Corruption at the highest level.

Hon JOHN HALDEN: Yes, at the highest level. We have a right to know. The Premier has no right to say the Government might have a few private matters which it cannot divulge. The Premier has an obligation to divulge everything about this matter to us. The Government cannot set up an inquiry, accidentally or deliberately restrict the terms of reference and, on being advised of the issue, sit on its hands and say everything is okay, we will continue going down this path. The Premier says he runs a squeaky-clean office. That is almost a direct quote from *The West Australian*. If that is correct, these terms of reference need to be broadened and this particular matter very much needs to be investigated. If any other public servant was accused of this sort of thing, there would be an inquiry. I remember a very junior public servant handing out documents relating to a former senator. That public servant was pursued to the Appellate Court of this State where he was finally pronounced innocent. If the Government can be that thorough on a junior public servant, it should be particularly thorough with Mr Gilleece. The Government's credibility is on the line. Mr Gilleece's credibility is also on the line. If Mr Gilleece has done nothing wrong, an open, transparent inquiry and report will detail that to us. It will show us that and it will end the matter. However, if the Premier wants his office to be squeaky clean, there is another challenge - to extend the terms of reference of this inquiry.

Hon J.A. Scott: Are they going to be looking at cabinet minutes to see if it was discussed in Cabinet?

Hon JOHN HALDEN: I do not know but I do not think the Government will tell us about that. I do not often bet but I will bet on that one.

Hon Barry House: People have very selective memories about what happened in Cabinet. Some people cannot remember anything.

Hon JOHN HALDEN: They cannot. Some people, including the Premier, cannot remember yesterday when it suits him, as it did in this matter.

Hon Kim Chance: He certainly cannot remember what he does with the fuel taxes.

Hon JOHN HALDEN: The Premier said he would fully disclose everything and the next day he said he had given the matter over to Mr Wauchope. The Premier said he knew the Opposition had asked these questions but Mr Wauchope is conducting the inquiry and it is better for him to do so and for us to wait and see what happens. We can all sit here and make snide comments but at the end of the day, this is a process about probity and credibility. It is not just about Mr Gilleece, it is also about the Premier. The Premier has stated what he wants and what he will do. He has already retreated from a position of total openness and honesty, a totally public inquiry. The terms of reference are restrictive and not sufficiently encompassing. This is a matter of law. It is well documented and well established in law. It is now time to investigate, on the same basis as whether there was a conflict of interest, whether Mr Gilleece used his position to attract the contracts. I do not suggest, nor does the law require, that Mr Gilleece actually did anything that could be called corrupt, in terms of benefiting those who employed him as a consultant. I do not suggest that at all. It is not the law in this area. The law relates to one gaining by selling, bargaining or parrying around one's position. One's employer does not have to be negatively affected by this. There must be an inquiry for us to be assured that this did not happen.

If we take a step to another example, can members imagine if somebody in information technology in this place developed a computer software program in work time? Who would every single person in this Chamber be saying that that software package belonged to? What does the law say? It says the package belongs to the employer.

Hon J.A. Scott: When I made that misadventure speech here, the minister at the time seemed to think it was all right for the person who was investigating the situation to take his computer home and not give the information to the department.

Hon JOHN HALDEN: That may well have been the case but it is not my point here.

Sitting suspended from 6.00 to 7.30 pm

Hon JOHN HALDEN: I was concluding my remarks in regard to Mr Gilleece's role as a public servant and whether he had benefited from his position as Executive Director of the Ministry of the Premier and Cabinet. I was making the point that if a person in the information technology section of Parliament developed software during working time and tried to sell it elsewhere, I am quite sure that the Parliament would demand the intellectual property as its own, and the profits from it. It is incumbent on us here to ascertain whether Mr Gilleece has profited from his position. If it is to be the case, as I said earlier, it should be investigated thoroughly and if it is thought *prime facie* to be the case, it is incumbent on the Premier and the Government to seek a declaration in the Supreme Court for the restitution to the public of Western Australia of any funds he has earned. The situation should be resolved by investigating the matter as quickly as possible. It is incumbent on the Premier and the Government to ensure that the matter is investigated.

I turn to another issue which causes me some concern. I noticed recently that the Premier was advocating that the Federal Government make some significant steps with health policy and funding in particular. The Premier was suggesting that further benefits should be accruing to the private health insurance industry. I thought that this was a particularly strange position for the Premier to adopt. He went to the last Premiers Conference and along with other Premiers suggested that the States needed in the order of \$700m to fix up their respective health systems. They did not get that amount of money; in fact they did not get half of it. However, it is amazing that the Federal Government provided to private health insurers \$1.7b by way of rebate. That \$1.7b is an annual grant, as it were, to the private health insurance industry, a sector that covers 30 per cent of our population. Meanwhile government members, who are directly responsible for administering the government sector, sat back while the \$1.7b was handed out or given to the private health insurance industry, and they applauded it. They got \$300m for their own health sector nationwide and thought that it was significant.

By July of this year half of that \$1.7b had been absorbed in increased fees. What had we all missed out on? By virtue of their silence and compliance with federal government policy, what had government members missed out on for all of us? They had missed out on 625 000 patient treatments per year, the obliteration of the waiting list in this country. Not one of the conservative Premiers postulated that as an alternative that might be of benefit. Government members also have missed out on the fact that the \$1.7b could have paid for the operating costs of 20 teaching hospitals Australia-wide. If one were to apply the one-tenth rule, that is two teaching hospitals in Western Australia. Government members sat blithely, deaf, mute and incapable of telling us the truth, while they propped up the private system - their mates. By virtue of their silence, government members lost for the people whom they must support in the public system 625 000 patient treatments per year or the obliteration of the waiting list nationally, or the operating costs annually of two teaching hospitals in this State.

They wonder why they have a problem with the health sector. They have a problem because they have not worked out their priorities. They must run the public health system. It may surprise government members but it is their responsibility. It is also their responsibility to put the facts before the people of Western Australia and to advocate and lobby as strenuously as they can on their behalf. What did they do? They supported the Prime Minister as he gave away \$1.7b, half of which by the middle of this financial year was neutered and useless because of fee increases brought about by their mates in the private health insurance companies. For that they got \$300m in the public health system Australia-wide. If any government member thinks that is a particularly smart deal, particularly for the management of the system that they are entrusted to manage, maybe they had better explain a little clearer what is their responsibility and how they see it. Is it really about supporting those most in need? Is it really about having a health system in which, when it comes to the crunch and having to undertake the most expensive health procedures, the private system generally will not be involved, but in which the public system must be involved? Meanwhile, specialists are resigning and doctors are walking out of regional hospitals, and regional areas of this State are almost devoid of doctors. That radical revolutionary group, the Australian Medical Association, is attacking the Government. Meanwhile, members opposite sit there blindly on their hands thinking they have this situation under control. They do not have it under control. They have betrayed people in this State.

There was an opportunity to lobby and extensively negotiate with the Federal Government about its policies. This Government chose not to do that, to the detriment of 70 per cent of health users in this State and this nation. Although the recent figures show about a 60 000 member increase in private insurance, I think on the scale 60 000 is probably at best 1 per cent of the total. In fact, it is much less than 1 per cent, but I cannot quantify it at this moment to the decimal point. Overall, private health insurance coverage of \$1.7b has increased by little more than 1 per cent since it was introduced in the previous federal government budget. I can only say whoopee do; what a great success! Meanwhile, hospital wards have been closed, people are sleeping in hospital corridors and doctors and specialists have resigned. In all honesty, members opposite could not manage anything because they do not understand the priorities of that which they are asked to manage. They should be managing the public health system, not the private system. That probably does not ring true to them but that is what ministers of the Crown should do. They have made an enormous mistake with this matter.

Version 1 or 2 of the old Court trick is to blame the Federal Government.

Hon Max Evans: Or the Labor Party.

Hon JOHN HALDEN: Of course, one or the other. "It could never be our stupidity; it is always that of someone else. We are not stupid." The 17 members who sit around the cabinet table should have a good, hard look at each other. In essence a number of them fit the category particularly well. They cannot keep up their stupidity.

Hon Derrick Tomlinson: The telephone is ringing.

Hon JOHN HALDEN: It is Richard; he agrees that members opposite, or at least some of them, are stupid! They are in trouble, but never mind.

Hon M.J. Criddle: Poor John.

Hon JOHN HALDEN: The Minister for Transport is one of them; he is in real trouble!

This absolute stupidity is further exemplified by the Government's inability to deal in any rational way with the issue of prostitution. We have reached the situation in which, after seven years, and God knows how many committees and people examining this issue, as a coalition or perhaps as a party - I think it is the Liberal Party - the Government cannot deal with it. "It's too hard, we will put it aside and hope that it will go away." It probably will go away. I concede it is not the biggest issue in the world. However, it is a social issue that warrants some sort of resolution. With the resources of government, surely members opposite could have done better than sidelining it until after the next state election.

The next issue that is almost in the too-hard basket is that of drugs. What is the coalition's policy on drugs? We know it is of no tolerance unless it is in Mirrabooka, Bunbury or somewhere else. What a ridiculous contradiction. How stupid do members opposite think we are? "We will have no tolerance, but we will have a -

Hon Greg Smith: Trial.

Hon JOHN HALDEN: A trial of warnings.

Hon Derrick Tomlinson: Of cautions. We are very cautious people.

Hon JOHN HALDEN: Caution often leads to an inevitable consequence; that is, the revelation that the coalition is impotent.

Hon Derrick Tomlinson: You have read my medical report!

Hon JOHN HALDEN: I cannot speak for it, but I am sure if it is like that, a doctor will leak it; they love coalition members! It is not about caution; it is about the Government not being able to work out what is the right "strategic/political" path to take. It does not know which political group it wants on its side. Do coalition members want the ultra right wingers who will come out against them, or will it go down the path of the moderates and small "I" liberals whom they may want to attract? Do they want to attract the more progressive elements of our society to the fact that they are dealing with this issue in some sane way? Jeff Kennett can deal with it in a far more sane and rational way than members opposite seem capable of even espousing.

Hon Greg Smith: There is no ambiguity in our policy; we will not condone the use of drugs.

Hon JOHN HALDEN: The Government may not condone sex or abortion but I will bet it cannot stop them. The Government may not condone killing, which is enshrined in the Criminal Code as an illegal act, but it will not stop it. I do not want to hear those stupid platitudes that "it is not in our policy". I understand stupid platitudes in policy, but when in government members opposite must deal with the realities of the world, not the Liberal Party or the Australian Labor Party policy. They must deal with the problems. Not only can the Government not deal with those problems, but also it tries to fix other problems. Has the Regional Forest Agreement not been a startling success? I do not know of anything more mystifying than the way two political parties have got themselves into difficulty. I say often to my party and factional colleagues that politics is about not blinking, particularly if a difficult decision is required; it should be made and acted on without change. Every one of the coalition members blinked after the original RFA was signed. The National Party cannot stop blinking, nor can many of the members opposite. I have never seen a more disastrous approach to policy implementation and management than that which this Government has shown. I will exemplify this in the last two minutes of this speech.

I hope a relative of mine will not mind my quoting him, not by name but by locality, etc. He is a small business person in Manjimup, who saw me at Parliament House on Sunday. He is not directly involved in the timber industry, but he sells his product to certain companies involved in the industry. He said that the great problem in the timber industry down there is that in spite of what the Government said about compensation and doing this and that - not him, although he has invested hundreds of thousands of dollars, and not Bunnings - the people who have parked their trucks outside and who have invested more than that do not have a clue how the Government will compensate them for their losses. The Government will not even open up the coupes it is supposed to open up at the moment, and I know that the Department of Conservation and Land Management fights with its minister.

Members opposite are members of the Government. The Government is going into the end of its second term almost moribund, and its members are almost without ability, although there are some exceptions. Surely the Government can do a bit better than it is doing? If my cousin, who is not one of my political supporters, and who I am sure will not vote for the Australian Labor Party at the next election, holds the view that he has about the Government, members opposite have lost the plot. In all sincerity, the Government must improve the situation. It is not addressing any of the hard issues, and when it does, it stuffs them up.

HON CHRISTINE SHARP (South West) [7.50 pm]: It is with some pleasure that I acknowledge the speech of the

Governor last Tuesday. Although I was not in the House last week due to illness, I will comment on the overall gist of the speech.

Hon Greg Smith interjected.

Hon CHRISTINE SHARP: I was somewhat fortunate in missing the demonstration last week. It was this afternoon that I first confronted the gentlemen outside. They gave me a good serve for about an hour when I went out to talk to them. I hope they enjoyed it, and that it made them feel better.

It made me aware that I should comment on some of the issues that have occurred since the House rose in early July and I last sat in this place. Having missed the speech of the member who has just resumed his seat, I hope I will not repeat what was said. Contrary to what members may have read in today's *The West Australian*, I am not declaring war on anybody - far from it. We have now reached a point in the issue of forest management where we should stop talking about war and start talking about solutions.

Hon Derrick Tomlinson: It's too late.

Hon CHRISTINE SHARP: I do not know whether it is ever too late to talk about solutions, otherwise the world would be an even sorrier place than it is. Never has there been a better time to talk about solutions, as the men and women outside reminded me vociferously this afternoon.

I have made a commitment in this place to consider a private member's Bill on further issues related to forest reservation. I made a statement yesterday to clarify that, although I have done work and prepared a private member's Bill which is called the Forest Protection Bill, I do not at this stage have an intention of progressing that Bill. Essentially, I feel that if the Government does what it has signalled that it intends to do over this important three-month period, any such Bill would be unnecessary and redundant and would not attract the support to have any hope of passage through this place. I acknowledge that.

I also acknowledge the extraordinary effort that the Government has made in the last month on forest issues. First and foremost, it takes a lot of courage to change. It is particularly hard to change when one has a fixed position. I acknowledge the simple fact that the Premier has admitted that the Regional Forest Agreement that was signed on 4 May had certain inadequacies, and that he has made further announcements which have added to the package of the RFA.

Hon Greg Smith: He did not say there were inadequacies. He said the public perception is that there are inadequacies.

Hon CHRISTINE SHARP: One could describe this in different ways, and that is typical of the way members of Parliament speak. It is always hard for any human being to say, "Sorry, I am wrong." It seems in politics that that is considered to be suicidal. I do not know why that is because surely all people get things wrong, including politicians. We all know that the Premier has made a significant effort to come up with a package that will, to an extent, resolve this issue.

I also have some admiration for the man. Considering all that was falling around his ears at the time, and the final straw that must have been the declaration of the new group of Liberals for Forests, from a distance it seemed that the Premier did not panic. That is an extraordinary thing. If I had been in his position I would have been feeling panicky. The Premier seemed to go about the issue in a slow and methodical way. He consulted with many people whom I know, who reported to me on their meetings with him. It is to his credit that he sat down, did the homework, listened to the people and announced new approaches to the issue.

The Government announced last week that a new committee will oversee this period which has been described as a moratorium in the karri and tingle forest and which still has 10 weeks to go. The committee is chaired by Professor Ian Ferguson, a professor of forestry at the University of Melbourne. I know that some members of the conservation movement have criticised the Government for choosing a forester to chair this committee. What other profession except a forester could implement serious changes to silviculture practices as is required by this committee? It would be improper for the forestry profession not to be represented on that committee. Professor Ferguson was also the chair of one of the most successful RFA scientific reports; that is, the report of an independent expert advisory group. That group made some useful contributions to the RFA body of knowledge, in particular the administrative arrangements for CALM. Also on that committee are some excellent people such as Dr Joanna Young, who is an outstanding forest pathologist, and Dr Steve Hopper, who is the chief executive officer of the Kings Park Board and probably the State's most eminent botanist. This committee has a challenging job because, apparently, it must report by September. We hope it will come up with something that will quieten this issue rather than further stir it up.

In the phase-out period of logging of old-growth karri and tingle, the committee is charged with the task of working out which blocks will be set aside immediately. It is with great interest that members of the conservation movement and I will look to see which blocks are put into protection immediately. We hope this committee will manage to ensure that all the areas of high conservation value karri and tingle are protected immediately. The committee also has the extremely difficult task - and I wish it good luck - to complete in a few weeks the redesign of the whole silviculture prescriptions to phase out clear-felling.

However, despite the Premier's announcement, I have outstanding concerns about the jarrah forest. We have debated in this place on several occasions the horrendous overcut to which the jarrah forest has been subjected for virtually its entire history. Members will remember that logging in the jarrah forest peaked before the First World War, and that industry has been in decline since then. There was an acknowledgment of overcutting by the former forest department, but a philosophy was put in place that at some time "in the future" the cut would be reduced and we would come to terms with the overcutting. However, in 1987, when the forest manager became the Department of Conservation and Land Management, the production

of the 1987 timber strategy abandoned the earlier ambitions of the former forest department on the sustainable supply of sawlogs and moved to a new definition based on the sustainability of gross bole volume of cellulose. In 1987, CALM abandoned the policy objective that the timber industry should be based on a long-term sustainability of sawlogs.

Therefore, not only has the jarrah forest been overexploited in the entire history of white settlement in Western Australia, but also the latest round of setting aside reserves under the Regional Forest Agreement has served it poorly. Members will remember that the Joint ANZECC/MCFFA NFPS Implementation Subcommittee criteria used to determine the reserve system under the RFA is based on disturbance. Because the central and northern forest regions have been so extensively disturbed, they have failed to register as worthy of conservation, using the criteria of the JANIS expert group, which I believe were created in 1993 in a series of committee meetings in Canberra. This has resulted in the loss for Western Australia in the last several months of 50 000 hectares of reserves in the central and northern jarrah forest. These are reserves, some with which I am very familiar, which have been recognised by a whole generation of Western Australian scientific opinion, initially through the former forest department, when they were called management priority areas. The conservation through reserves process was instigated by the Environmental Protection Authority in the 1970s and early 1980s and then by CALM's own reserves proposals. These 50 000 hectares - mainly jarrah, although there is a small amount of wandoo - have been recognised throughout a whole generation of reserve proposals as essential to the reserve system in the central and northern forest and have just been removed under the RFA. I am extremely concerned about that and about what that means for the establishment of ecologically sustainable management outside the southern forest region if there is virtually no reserve system left in that area. Not only is this unacceptable but it is my understanding that it is also illegal. It is illegal that those areas have been revoked, because they are included in the current forest management plans, which have been assessed under the Environmental Protection Act.

Hon Greg Smith: These were only interim reserves.

Hon CHRISTINE SHARP: Yes, they are reserves that have not been gazetted but they have been proposed under the forest management plans. When we want to change the forest management plans which have been assessed under state law through the Environmental Protection Authority, the correct and due process is to instigate changes to a proposal under section 46 of the Environmental Protection Act. Until the minister has invoked an assessment under section 46 of the Environmental Protection Act, any question of those areas being removed from their intended purpose under the forest management plan is a contravention of the Environmental Protection Act. I therefore hope that this Government will further consider the implementation of goals which are enshrined in the RFA to follow ecologically sustainable forest management. If the Government instigates such a review, it should ensure that the review follows due process under section 46 of the Environmental Protection Act.

Hon Greg Smith interjected.

The PRESIDENT: I cannot hear Hon Greg Smith's interjections.

Hon Greg Smith: It's just as well.

The PRESIDENT: You are probably right.

Hon CHRISTINE SHARP: For everybody who is interested in forest management, this has been a very difficult period.

The second aspect I would like to discuss this evening is what we need to do about that and where we need to go from here. We should not be putting all the responsibility onto the Government or blaming the greenies for being the source of all the trouble. I propose that it is time for the company, Bunnings Forest Products Pty Ltd, which has enjoyed so much of the financial benefit of our forest management regime for the past 25 years, if not longer, in this time of great crisis in the timber communities to start thinking about how it can put back some of the benefits it has enjoyed to help the industry, and the men and women whose lives are currently directly affected, to move through this very painful restructuring.

In my understanding of what has occurred and the ramifications of the Premier's announcement, Bunnings Forest Products is not a victim of change or of a whim of government. One can detect a design in the detail of the new changes which is uncomfortable for many owner-operators and small operators in the timber industry, and certainly uncomfortable for Whittakers' timber mill, but is fairly comfortable for Bunnings Forest Products. Firstly, as members know, the karri-marri and now the jarrah-marri forest has been woodchipped since 1976. From earlier annual reports of Bunnings Forest Products, we are able to estimate that every year since 1976 Bunnings Forest Products and its subsidiary company, WA Chip and Pulp Co Pty Ltd, have made over \$50m annually from woodchipping alone. Those companies have been able to do that because they have enjoyed a monopoly supply contract, which, for most of that period, was granted to them through a state agreement Act.

Hon Barry House: How much do you reckon the residue would be worth if it were not woodchipped?

Hon CHRISTINE SHARP: We are looking at where to go to from now. We must understand that before the state agreement Act expired more than a year ago, Bunnings Forest Products commissioned a report from ACIL economic consultants, which reported to the Government on the renewal of the state woodchipping agreement Act. As it happens, members will have noticed that there was no new woodchipping agreement Bill which came before this place and I suppose it was because it was fairly obvious to anyone with any political wit that no-one would want to bring a woodchipping agreement to face this upper House. Therefore, there was no renewal of that state agreement and the renewal of woodchipping took place under contract let under the Department of Conservation and Land Management. Before the contracts were renewed for WA Chip and Pulp, the ACIL consultants made a public report to government - certainly Bunnings Forest Products kindly supplied me with a copy. The gist of that report is that when the contracts with the Government for the monopoly supply of woodchip logs from the state forests expire it is suggested that the Government not go to open tender to renew those contracts. The

reason is that there is concern that the open tendering process for that monopoly supply will necessitate, in turn, a need to suspend the contracts with the Japanese market and the Marabini Corporation. The concern is that the Japanese market will not renew the contracts. The industry does not want the contracts to be put in jeopardy because it has been made clear by the Japanese market that old-growth karri and marri woodchips are not a preferred source for paper pulp. Not surprisingly, they are terribly hard because they are old-growth forest and that creates a technical challenge to pulverise them into paper pulp. Old-growth karri and marri woodchips are used mainly in the niche market of high-quality parchment and photographic paper. For general run-of-the-mill craft bleached paper the Japanese market would much prefer blue-gum woodchips, which are not as hard and are easier and cheaper to process.

Hon Greg Smith: Are you saying that it would be a good thing if we lost the market for one of our export products?

Hon CHRISTINE SHARP: What I am saying is that this report on behalf of Bunnings Forest Products indicated that when Bunnings' current contracts with the Japanese markets expire - and they are due to expire early in 2005 - they will not be renewed. Bunnings asked that they be not temporarily suspended in order to keep them until that period. The market for old-growth woodchips will die in 2005. If we are phasing out these products in 2003, the industry is not giving up much of that resource. It is playing out that role until the end of the useful life of its own contracts. In a memo that was distributed to all Bunnings subcontractors in the forest before the Regional Forest Agreement was signed in late April, Bunnings was already discussing the phasing out of woodchipping of everything except the most easily processed logs because of an oversupply to the Japanese market this year and the stockpiles in Bunbury. On the basis of a commercial memo from a forest company to its logging contractors we found that we were rewriting the forest management prescriptions almost overnight. This is a very serious scientific change to the way in which trees are removed from the forest. The processes that have been employed in the past have been subject to rigorous scrutiny through the Environmental Protection Authority and its Act. I consider it extraordinary, if not illegal, that forest management plans are being changed on the basis of a confidential commercial memo. Bunnings had decided in April that it would start to phase out woodchipping anyway. It has not really given up much at all and has played out its commercial advantage to the maximum.

I heard the Premier call this the "big tree issue" this afternoon - the glamorous, blonde, long-legged karri trees. Outside the reserve system only 18 000 hectares remains unlogged. This figure precedes the Premier's announcement about the phase-out. Just 18 000 hectares of karri forest remaining to be logged is a very small area. As clear-felling has been conducted at the rate of 1 500 to 1 800 hectares a year since 1976, prior to the Premier's announcement there would have been only 10 years' supply left at current rates of logging. If we project forward to 2003 we can see that not that much has been given up.

Hon Barry House: Do you give credit for anything?

Hon CHRISTINE SHARP: Did the member not notice that I spent the first 10 minutes of my speech acknowledging what this Government has done?

Hon Barry House: I wasn't here for the beginning, but I haven't heard a positive thing since I've been here.

Hon CHRISTINE SHARP: Maybe the member should leave again; he is having a bad effect on me.

The PRESIDENT: Order, members!

HON CHRISTINE SHARP: I made an analysis of the Premier's announcement and found that I had some admiration for what he had done. The member's colleagues will confirm that if he cannot be bothered reading *Hansard*.

Hon Greg Smith: You did say that but did not go quite far enough.

Hon CHRISTINE SHARP: That is correct in regard to the jarrah forest. It seems that the Premier has been caught in the glamour stakes along with everybody else. Somehow jarrah is just not sexy enough. With respect to the privileges that Bunnings Forest Products has enjoyed in the past, we note that throughout the 1990s all the contracts that Bunnings has had for jarrah have given it the privilege of having to take only first-grade logs. Forests come in many grades. British Columbia, where a system of ecologically sustainable forest management is in place, has 40 categories of log quality. There is a far more sensitive system than the quality categories we have in WA, which are first, second, third grade and salvage. These contracts to supply first-grade jarrah throughout this decade have represented 58 per cent of the overall allowable jarrah cut. The company involved has enjoyed a very high level of supply of the highest quality timber available. It has basically taken the cream of what is left of the old-growth jarrah forest during this decade. Also, due to arrangements made in the past, when Bunnings bought the Hawker Siddeley company, which six years earlier had bought the State's sawmill complex, Bunnings acquired enormous amounts of infrastructure at very cheap prices. It included all the accommodation at the Pemberton mill site. Bunnings Forest Products Pty Ltd has an incredible opportunity to give those houses, in which members of the work force are living at the moment, back to the community if it no longer wishes to operate a mill in that region. Bunnings acquired them very cheaply from the State, and it now has an opportunity, and can afford, to be generous because we have all read in *The West Australian* recently that in the last year alone the Bunnings-Wesfarmers group made an after tax profit of \$177.5m. This is Western Australia's most lucrative and profitable enterprise and it is somehow or other assuming the role of victim of unreasonable government policy, when that group has done extraordinarily well from government policy. The restructuring the Government has recently announced has been done in a way that is most convenient to that group. When I meet with and hear the concerns of people such as those surrounding this building for the past week, I feel that Bunnings should be called upon to help its work force bearing in mind the company's past comfortable position. Instead it intends to invest \$100m of its profit in overseas investment portfolios and is considering a 5 per cent share buyback scheme. That means it is attempting to consolidate the profitability of its enterprise. Instead of recognising that it should give something back to the work force, it is planning a share buyback scheme.

Moreover, I am somewhat confused by the restructuring fund announced under the Regional Forest Agreement because I have seen two different and quite distinctive figures quoted - one for \$41.5m and the other for \$60m - as available for restructuring the industry. I have not yet had an opportunity to ask a parliamentary question to ascertain which figure is most reflective of the current situation. However, we know that at least \$41.5m is available to help in this situation. I suggest to this Parliament that it would be entirely inappropriate for any of that money to go to Bunnings Forest Products because that company has enjoyed sufficient benefits already. That money should be carefully spent so that it maximises the help on the ground to the work force that has been dislocated as a result of the Premier's latest announcements and because many people in that industry entered into new financial arrangements immediately after the RFA was signed on 4 May. Some people living in the lower south west went to their banks for loans when the RFA was signed and now find that the commitments they made on the basis of the first agreement are no longer relevant.

To administer that huge amount of money, of which \$20m will come from the Federal Government, the State Government has set up a committee. It is chaired by a former managing director of Bunnings Forest Products, and the current managing director of Bunnings Forest Products is a member of that committee. The committee has no representation from the fine furniture industry, and I think all members agree that the direction of restructuring should be in that direction. Nor is there a representative from the softwood and blue gum plantation industry. Those industries are being ignored by the very committee which has its hands on the purse strings of a fund containing at least \$41.5m to sort out this problem. Surely, its first priority must be the people who live and work in the south west, and not the Bunnings shareholders. Its priority must be those owner-operators and small businesses in the south west who have depended on the timber industry for their living, and can also depend on that industry in the future after the process of restructuring has taken place. It will be difficult and it is a messy situation, but perhaps in two years we might be able to look back and see that something quite extraordinary has been achieved. Governments have been "gunna" do this for the past 30 years, but none had the guts to do it until WA reached almost the bottom of the barrel of old-growth trees and the Government finally had to come to terms with this State's over-exploitation of the forest. The money should go to owner-operators and cooperatives.

It is important that the Government does everything it can to keep the operation afloat at Whittakers Ltd timber mill. Of course, no-one can blame the Government or the greens for what has taken place at Whittakers, because some serious management and policy decisions have affected the efficiency of that company over time. It just about hung on until the RFA was announced, but then it collapsed as everyone expected it to. When it collapsed it owed approximately \$3m to the Government and had a stockpile of \$15m-worth of sawn and dressed jarrah that it could not sell because of the oversupply and glut in the jarrah industry in the past 10 years.

The money should be put into low-interest loans for people in the south west to allow them to pick up the pieces and rebuild a timber industry for the new era, on the understanding that the forest is limited and the challenges faced in the timber plantation industry are very significant, but they offer enormous potential for the benefit of the entire region.

It is interesting to note that the plantation industry is suffering from the same kind of financial disadvantage evident in the priorities in funding of the native timber industry. At the moment all the investment in the plantation industry is tax money. It is all St Georges Terrace farming money, whereas the poor, struggling farmers in the Agricultural Region and in the south west are being offered absolutely no incentives to establish farm forestry and to take on the challenge of a dynamic plantation industry. They must be helped now.

All the assets which Bunnings no longer wishes to use, because they have passed their use-by date for it to make a substantial profit from them, should be passed back to the community; that includes the engineering works in Manjimup which Bunnings has now announced it will be closing. I note that - this has the status of only a rumour which was passed on to me - Bunnings has been intending to close the engineering works for some time, and that it has just used the present upheaval as a useful excuse to close down that workshop and blame it on the greens and the Court Government while it walks away from the situation. It should not be walking away from the situation; it should be making those engineering works viable for the community of Manjimup as it needs that outfit to continue. The industry needs that outfit to continue. If we are to retool an industry and genuinely attempt to restructure an industry onto 750 000 hectares of regrowth forest which that industry may enjoy into the future and use the enormous potential for the plantation industry, who will do the engineering to set up new timber mills and mills which will take blue gum and solve the very substantial technical issues which face the milling of young eucalypts and the Tasmanian blue gum, *Eucalyptus globulus*, in particular? Who will do the engineering for a plantation sawlog industry? Who will do the engineering to redesign the timber mills in the south west to suit the smaller and younger trees of the regrowth forest if our own engineering works are removed? There is obviously a viable future for an engineering works in Manjimup. If that engineering works is closed in the future as this restructuring proceeds and as some of the chaos subsides and the innovation begins, it is absolutely critical that the engineering for that retooling takes place in the south west and does not take place overseas or somewhere else because we do not have the engineering ability left in the south west.

I will also point out a few of the opportunities which now present themselves. We all know the Chinese philosophy that every danger and difficulty actually presents an opportunity. What is the opportunity at which we are looking if we can see through the pain, the chaos, the anger, the blame, the controversy over the facts and the data, how much timber there is, how much old growth is left and how much radiata pine is available? They are all controversies over basic elements of information about our resources. Seeing through that fog will bring this Chamber into a very important role before Christmas, because we will have to consider the new arrangements for the Department of Conservation and Land Management. That will be the single most important building block for getting the future of the industry right. Already we can see a huge amount of potential through this confusion; for example, there is the potential for developing the fine furniture industry. The fine furniture industry in Western Australia uses something like 1 000 cubic metres of timber at the moment. Such a small proportion of the timber is cut although one can see that that industry is enormously job rich. As an extreme

example, if a fine dining table and chairs are made from jarrah, up to \$25 000 can be value added for one cubic metre of timber. At the moment, that industry is using only 1 000 cubic metres of timber. We could expand that industry tenfold, not lose any jobs in the timber industry and use a fraction of the trees that we are using at the moment. Instead of the era of the past when the timber industry has been based on the minimising of labour input and the maximising of resource volume throughput, we will now be moving to an industry which understands how scarce our fine timbers are and, therefore, is minimising the resource and maximising the labour input.

Another important opportunity is for thinning. Again, a good initiative and the best thing in the Regional Forest Agreement - maybe it came from my colleagues in the National Party - was the \$5m that has been set aside for the thinning of the jarrah forest. This is work that is long overdue, because most of the jarrah forest that needs thinning was heavily logged in the 1930s. Since then, because it is never commercially attractive to do this work, it has never been done. Those areas have never been rehabilitated or restored in order to produce a high quality sawlog. All the work for the future ecological benefits that go with old trees has never been done. I commend the Government for setting aside \$5m to begin that work. That kind of work will bring a lot more satisfaction to those in the bush who work in the timber industry at the moment. There will be an enormous amount of satisfaction for them to continue to work on these types of restoration projects, and there is certainly ample opportunity for them. We also know that the thinning of the clear-felled coupes in karri, of which there is now about 50 000 hectares, desperately requires thinning. The people who work in the old-growth timber industry currently are needed to restore these previously clear-felled areas which require thinning urgently. That area will provide an enormous amount of job satisfaction to the members of the industry.

There is also the potential to return to those log landings where huge volumes simply have been left to crack and split and to have young saplings grow up around them because they have not been collected. Last year the National Party's policy statement made some estimates of the percentage of the trees that are chopped down and taken to log landings in the bush. Of all the trees that were killed, it was estimated that 40 per cent of them never left the log landing. That means that we have so many dead trees waiting to be collected and salvaged that we could supply 100 small owner-operators for many years just by using that resource if the allocation system allowed small users. They can produce recovery rates of 70 per cent if they are given a second-grade log, which is double the amount that the big mills can achieve.

Huge potential exists to look at the system for allocating the resource. The crisis which the industry is facing at the moment provides the opportunity to look at the basis upon which what will become an increasingly scarce and valuable quota is allocated. At the moment, it is allocated on the basis of large operators. Adelaide Timber Company Pty Ltd, which the Government is thinking of buying, and Bunnings Forest Products Pty Ltd together represent 84 per cent of the jarrah cut. If we use operators who can achieve the highest recovery rates rather than the highest volume throughput, there will be enormous potential to radically reduce the volumes and increase true value adding in the industry. I challenge the current definition of "value adding", which means in a technical sense that the timber has been kiln dried. That is not value adding. It certainly adds to the cost of processing, but it has nothing to do with the final product for which the timber is used. That is true value adding, and that is at what we should be looking.

Another extraordinary question is how much softwood sawlog is available to which we can switch over to provide sawlogs for our bread and butter timber uses, in particular for the construction industry. As members will be aware, herein lies a controversy, because Dr Judy Clark from the Australian National University claimed four years ago in her 300 page publication entitled "Australia's Plantations" that a far greater resource of *pinus radiata* was available in Western Australia than was being released by the Department of Conservation and Land Management. To my knowledge, the Department of Conservation and Land Management has produced only one four-page refutation of Dr Clark's argument, which contains no methodology and no in-depth explanation of how there can be such a discrepancy between its estimates and Dr Judy Clark's estimates of how much softwood is available at this time. That argument has never been cleared up, and it is important that the Government take steps to clear up the argument about how much pine is available in the short term to quickly expand the pine sawlog industry. I remind members that the critical factor about pine is that at present it is the only plantation option that produces a sawlog. Some other options are in the pipeline, one of which is maritime pine, and if the vision of the Department of Conservation and Land Management comes to fruition, we will have extensive plantations of maritime pine, and we hope they produce the projected volumes of slower-grown sawlogs from the areas of low rainfall of between 400 and 600 millimetres, for which there are no major farm forestry projects at this time.

We also have 100 000 hectares of Tasmanian blue gums. Some of that feedstock is now ready for harvest at 10 years of age. However, some serious technical problems challenge us with regard to whether those blue gums will be of any use for sawlogs. Some trial milling of blue gums has taken place, some of which has been successful. However, that trial has been buffered from the commercial realities of the sawlog industry, because the very best logs have been chosen from some hundreds of hectares of logs. Those logs have then been cut and sawn, and they have warped horribly and have then had to be recut in order to work around the warping of that timber, because blue gum timber is notoriously unstable when it is young. We face some severe technical challenges in working out how in realistically economic terms we can produce sawlog timber from eucalypt hardwoods. That should be another important priority for the industry, and I reiterate a theme in my comments tonight, which is that help in facing the new technical challenges of a farm forestry industry based on eucalypt sawlogs should go to the owner-growers and the farmers in the south west.

There is enormous potential for Western Australian plantation growers to enjoy extra benefits from carbon crediting and carbon sequestration. Today I received a briefing from the Department of Commerce and Trade about the new regional development policy that it has initiated. It is interesting that apparently this is the first time that Western Australia has had a regional development policy, and I congratulate the department for having done that. However, as we are all aware, the challenge of regional development is that while most of the wealth in this State is produced in the regions, most of that haemorrhages either to Perth or overseas and virtually none of it goes back to the regions that produce it. Carbon

sequestration is an incredible opportunity to recycle some of that wealth back to the people who live in rural Western Australia. It is very important in these times of formulating policy on carbon sequestration that the Government make a deliberate commitment not to centralise the benefits of carbon sequestration by propping up the budgets of centralised government departments and to ensure that any benefits that may accrue in the future to plantation growers go back to the growers themselves and not to either financial investors in Perth or centralised government agencies.

I thank members for allowing me to indulge in yet another speech on forests. I believe we have an opportunity in the Address-in-Reply to His Excellency the Governor to comment on important matters of government policy and that it is incumbent upon me to comment, not in an entirely negative vein, on what the Government has achieved since this House rose in July. We face an important time in the immediate future to make all this work, and if we do not lose courage, we have incredible potential to take a step forward for future generations and for the children of the people who are suffering at the moment by looking at long-term ecologically sustainable forest management in this State.

HON E.R.J. DERMER (North Metropolitan) [8.48 pm]: I am pleased to support the motion moved by Hon Ray Halligan. I appreciated His Excellency the Governor's delivery of his speech. I noted that the Governor signalled his intention to retire in the near future. Given the interest I understand the Governor takes in the Address-in-Reply debate, I take this opportunity to wish the Governor and his family all the very best during the course of his retirement.

Tonight I will refer to and consider one item from His Excellency's address. I will directly quote two paragraphs from his address; firstly -

The Government's investment in a network of telecentres is opening new doors for people in many small communities. Shortly, it will be complemented by the Statewide Telecommunications Enhancement Program, otherwise known as STEP, which will make advanced digital data services available throughout Western Australia.

First, I refer to the telecentres. The Government has achieved significant success in this area. The telecentres are in place as institutions in regional towns whereby in one location people can access the best advantages of advanced information technology and communications, whether it be fax machines or computers linked to the Internet.

I had an opportunity to visit Kambalda in April. I spent some time with the officers of the Kambalda Shire Council and I talked to them about their plans for the telecentre in that area. To have that modern information technology equipment available in small towns, it needs to be serviced by a telecommunications network of sufficient bandwidth to be able to use the Internet, the fax and the other equipment located at the telecentre. This program is successful in providing public resources for the establishment of telecentres in towns in which sufficient income would not have been generated from the telecentres to pay for the investment in them. By virtue of the Government's assistance in establishing these telecentres, towns that would otherwise have been too small to have access to those services now have access to them. I was pleased to see the good work of the telecentres referred to in the Governor's speech. I hope to encourage the Government to continue that worthwhile project and, if anything, extend its commitment of public resources to those telecentres.

The other program referred to by the Governor was the statewide telecommunications enhancement program. The Governor continued in his speech -

STEP will provide a platform for Government agencies to deliver new electronic services, such as Telehealth and Telelearning to regional and remote areas.

The problem that must be overcome here is essentially the same problem that is ameliorated in part by the telecentres. If people in small and remote communities are to be able to use modern, advanced information technology and communications systems, they will need the network which carries the electrons to those small towns. Extending the network to those towns requires telecommunications infrastructure, which is expensive. Therefore, how is a return on an investment in telecommunications infrastructure achieved? How does one give an opportunity to a small number of people in small towns to access this advanced system of telecommunications when these people would be seen by potential investors as being unlikely to generate enough use, and pay enough money for it, to provide a decent return on their investment?

There are sensible answers to this problem, and they are essentially contained in the Government's statewide telecommunications enhancement program. Government agencies will function in towns of various sizes. The obvious government agency presence in many towns is a primary school. There is generally a police presence and a medical facility, whether it be a small hospital or a nursing station. Each of these government agencies has its telecommunications needs. What is entailed in the statewide telecommunications enhancement program is the combination of the telecommunications needs of the agencies operating in small towns, the contracting of those needs to carriers over a period of three to five years, I understand, and on that basis encouraging carriers to invest in telecommunications infrastructure for those towns.

In addition, the program entails a commitment of public resources to the capital investment for extending the infrastructure. Therefore, by way of both a commitment of public resources and the contracted access to the needs of the government agencies in those small towns, the program seeks to encourage telecommunications carriers to invest in extending the telecommunications network to smaller towns, in this way extending to Western Australians living in small towns access to advanced telecommunications and the information technology which needs the telecommunications to make it viable.

Clearly, the program is a good one. The concern that I wish to bring to His Excellency's attention is the rate of progression of this program by the Government. There is a need for the Government to be encouraged to accelerate the progress of this program. As I said earlier, the program entails encouraging investors in the telecommunications network by offering them guarantees that they will have the contracts for servicing agencies in small towns. The program also entails a figure of \$8m in capital contribution directly from public resources into the infrastructure.

When the infrastructure is extended to the small towns through the program, its bandwidth - that is, the amount of information that can be carried through the network to service a small town - is not restricted just to the needs of the agencies. That would be self-defeating. A broader bandwidth is needed to enable commercial and private consumers in the small towns to access the network and to enjoy benefits from the program.

His Excellency referred to telehealth and telelearning. As I said previously, he said -

STEP will provide a platform for Government agencies to deliver new electronic services, such as Telehealth and Telelearning to regional and remote areas.

Telehealth is an encouraging development and a matter of high priority for these small towns about which I am talking. It is based on the notion of transmitting health information via telecommunications networks. One of the concerns that faces our society with the advent of advanced medical technology is that the greater possibilities for providing health services also bring with them greater costs. The resultant increased cost of health services is an enormous problem facing both the state and commonwealth levels of government.

The beauty of telehealth is that it not only improves the quality of health services, but also presents an opportunity to reduce costs. For example, a specialist, perhaps based at Royal Perth Hospital, whose time is very expensive, can offer his or her skills and knowledge in a very economic manner by consulting patients in isolated and remote areas of Western Australia using the telehealth network. Information about the patient in a remote town can be electronically transferred at very low cost and the specialist can then relay advice to a general practitioner in that town. In doing that, the specialist's time can be provided in a very cost-effective manner and people in remote areas who would otherwise be required to travel great distances to obtain that advice no longer need to do so. Naturally, that will increase the health opportunities for those individuals. A general practitioner operating in a small town could access the benefits of the most up-to-date medical advice and research. He or she could also access medical journals and use very systematic diagnostic tools. There are many and various ways to extend the telecommunications network so that the advances of telehealth can be delivered to small towns, and that is very important.

The Governor also referred to telelearning. Because Australia is a large continent and has a sparse population it has developed a fine and proud tradition in distance learning - the School of the Air comes to mind. Telelearning is an extension of that very worthwhile tradition. Teachers in schools and people teaching their children at home in remote towns can access telelearning to provide children with the very best of modern educational opportunities.

While we in the city may take communications for granted, those who face the challenge of living in a remote area have a far greater appreciation of the advantages of modern telecommunications. For that reason, it is beholden on all of us to extend the best available modern telecommunications services to small towns. In so doing, we will provide many information technology opportunities. The appreciation of these opportunities is greatest where people are most acutely aware of their isolation.

A greater and greater proportion of commerce is being conducted using advanced telecommunications coupled with information technology. The economic opportunities of those living in small towns will become more and more dependent on the availability of high-bandwidth telecommunications networks. Therefore, the telecentres and the statewide telecommunications enhancement program are not luxuries. They are essential to the long-term economic viability of small towns. As is true of telelearning and telehealth, it is very important that the services we provide as a State be available to all Western Australians, not only to those living in large centres.

I find His Excellency's speech a little curious in that it refers to the statewide telecommunications enhancement program. I understood the tradition to be that new programs are announced in the Governor's speech. Although the budget papers for 1998-99 presented in this Chamber on 30 April 1998 did not specifically contain the term "statewide telecommunications enhancement program", they certainly contained references to the essence of the program. The budget papers dealing with the Commerce and Trade budget refer to significant issues and trends as follows -

Advances in information technology and telecommunications is increasingly making the world a smaller place. Taking advantage of the rapid developments in this field will increase the international competitiveness and capability of business and radically alter the manner in which Government delivers services to the community. Government as a user, and as a provider of services, will need to adopt and promote new technologies, particularly with regard to on-line services such as electronic commerce, bill pay and service delivery.

The needs of those Western Australians in small towns that are addressed by STEP and by the telecentres were clearly identified as far back as 30 April 1998 and were mentioned as an issue in the budget papers. Those needs are obvious and should have been recognised by the Government many years prior to 1998 given that it was elected in 1993. A Government with foresight would have taken steps to address the telecommunications needs of smaller towns much sooner. In the 1998-99 budget, under the heading "Major Initiatives for 1998-99", I found further reference to the needs that would be met by the statewide telecommunications enhancement program if it were implemented, which it has yet to be. The major initiatives item, in part, refers to progressing the implementation of a telehealth communications infrastructure that would deliver currently non-existent health and other services to rural and remote communities in Western Australia, and to developing a telecommunications strategy that would coordinate service provision throughout the State by the promotion of investment in public infrastructure and services and the aggregation and rationalisation of government networks. Although the statewide telecommunications enhancement program is not referred to with a separate title, we can see that it forms the essence of those major initiatives for 1998-99. Without the title, the essential qualities of this program were encapsulated in what is described as a major initiative for 1998-99. My criticism of the Government's performance is this: How long has it taken to put this

essential program into place and for how many years will addressing this need for people in remote communities be described as a major initiative before it is in place?

The budget estimates for 1998-99 list \$5m to be spent on what is described as a communications pipeline, with a further \$5m estimated for 1999-2000. In June this year in the estimates hearing covering the Department of Commerce and Trade, I extracted from the Executive Director of the Office of Information and Communications a confirmation that an allocation was made for the communications pipeline, which was listed in the 1998-99 budget, from which capital required for STEP will be taken. Again, even though STEP is not referred to by name in the 1998-99 budget statements, it is there in essence. Its functions are listed as major initiatives, and the allocation of capital is in the budget. The advance of this program is an urgent need. I have mentioned before the rapid development of electronic commerce and how it will become the medium of commerce; therefore, the economic viability of small towns will depend on access to telecommunications networks of a bandwidth broad enough to meet their needs. I cannot stress enough the urgency of this program.

Six months after the need was identified in the 1998-99 budget papers with the inclusion of \$5m per annum in each of those financial years, in November 1998 I made a presentation at a seminar at Murdoch University. At the same time, I heard a presentation made by an officer of the Office of Information and Communications, which comes within the Department of Commerce and Trade. This paper was entitled "Statewide Telecommunications Enhancement Program: Progress as at 9 November 1998". The paper reported on the work done up to that date on the progress of STEP, and states -

Considerable progress has been made towards implementing the strategy, including:

- . Mapping of existing infrastructure . . .
- . Forecasting the 2 and 5 year voice, data and video traffic between each town and Perth:
- . By each of seven major agencies . . .

It goes on to say that the forecasting process at that point - that is, 9 November 1998 - was substantially complete. The progress report continues -

- . Extending this to all other interested agencies with a briefing held on 31st August 1998 and eight more agencies have now completed this traffic requirement forecast and several more are in progress
- . Forecasting private sector traffic, particularly for businesses with clients throughout the State as well as for individuals, especially in low population centres - research is now well under way by the Communications Economics Research Program at Curtin University, assisted by Gibson Quai & Associates

We can see that the economics of STEP depend on not only the requirements of agencies, but also private individuals and businesses in those towns, which will then also be able to access the benefits of the extended network. The document continues -

- . Preparing a procurement plan - completed
- . Worldwide scan for lessons learned and trends: report from Gartner Group received . . .
- . Integrating the Telehealth proposal into the wider strategy - Telehealth Development Unit now on secondment from Health to OIC in Commerce and Trade to assist this process
- . Briefing the telecommunications carriers on the strategy, including the procurement plan, and receiving briefings from them on their proposed approaches to meeting our needs.

That is, the needs of the Office of Information and Communications. It continues -

- . . . first round completed and ongoing innovative practical solutions being put forward by some carriers and carriage service providers.
- . Receiving briefings from other telecommunications suppliers - continuing
- . Identifying practical business models for contracting in a manner which fosters sustained carrier competition
- . Identifying an effective long term management arrangement - a Board comprising CEOs of major agencies is contemplated
- . Undertaking a formal risk analysis - first round completed using CAMS risk analysis tools
- . Planning and scope of the Request for Proposals which will result in two or more carriers providing managed telecommunications services to government (meeting the essential performance requirements specified by each agency), and installing infrastructure for use by both the government and the private sectors.

Clearly the Office of Information and Communications was undertaking its task and responsibilities thoroughly. For that reason, I can well understand why the progress report, delivered in November last year, was given six months after the commitment to this work in the 1998-99 budget paper. We can understand that the depth of the work done would take a

significant time. For a project of this importance and scale to go ahead, it was important that the essential homework be done, and the Office of Information and Communications had performed that. The paper presented at Murdoch University in November last year went on to explain that the preparation of the request for proposals for STEP was the next major activity -

The RFP is to select those carriers that will provide, throughout the State, infrastructure that is able to handle the significant data speeds and other characteristics required to deliver the services identified by agencies and the private sector.

The paper refers to the complexity of the request for proposals and further states -

The need to foster sustainable carrier competition, essential in the long-term interests of businesses and consumers throughout the State, will be reflected in the RFP.

I have potential concern about the progress of STEP because in the estimates hearings in June this year we received advice that only two telecommunications carriers had an ongoing interest in the statewide telecommunications enhancement program. I am concerned, and I seek substantial reassurance from the Government, about whether the interest of only two carriers, rather than the interest of a higher number of carriers, will be sufficient to provide a competitive environment for the good of the ongoing advance of the statewide telecommunications enhancement program. I quote again from the paper presented on 9 November, under the heading "Timeline" -

To achieve the tightest practical timetable for commencing infrastructure upgrade it is planned to issue the draft RFP in December 1998 for comment by the Standing Committee of Cabinet and by industry. The final RFP will be advertised internationally as soon as practicable thereafter, planned for February 1999.

I can understand the time required for the progress achieved by November 1998, and the paper projected that the RFP would be advertised in February 1999. When that work had been done by the hardworking officers in OIC and the Department of Commerce and Trade, the active responsibility was passed back to the Cabinet. I do not wish to diminish the ongoing responsibility of ministers to achieve that which is achieved by government agencies, which is a foundation of our Westminster system. After the groundwork had been done in the OIC, it was important for Cabinet to endeavour to make up for time lost by the minister and Cabinet not taking the initiative earlier than the 1998-99 budget, by grabbing the work done by OIC and driving it with all the necessary resources to advance the statewide telecommunications enhancement program as quickly as possible. The urgent need for this in small towns must be remembered throughout the process.

The Minister for Commerce and Trade, Hon Hendy Cowan, issued a media statement on 27 November 1998 which stated -

A new Government program to improve telecommunications and Government services in regional areas was announced today by Commerce and Trade Minister Hendy Cowan.

It is interesting to see the program described as a new government program and announced as such, seven months after the capital commitment had been announced in the 1998-99 budget papers. It is the custom of the Court Government to re-announce initiatives, sadly often to the neglect of implementing those initiatives. The media statement further indicated that the minister said -

the State Government would soon invite telecommunications carriers to submit proposals for building and operating advanced communications services throughout regional WA.

"This State Telecommunications Enhancement Program, which will be co-ordinated through the Department of Commerce and Trade's Office of Information and Communications, offers significant benefits for the successful carriers as well as for regional communities and the Government," the Minister said.

"Government agencies will use the improved infrastructure to deliver a greatly expanded and enhanced range of on-line and communications-based services in areas such as health, education, family services, policing and justice.

They are all excellent reasons for this program and excellent reasons that this Government needs to increase its commitment and advance the program much faster than it has. It was further stated -

"This week, Cabinet approved spending up to \$8 million developing new on-line services, with a strong emphasis on Telehealth services.

Cabinet approved that expenditure of \$8m. The budget allocation was \$5m in 1998-99 and a further \$5m in 1999-2000. Clearly, part of that is the \$8m approved, and other expenses for conducting the research were included in the total allocation of \$10m.

I refer once more briefly to the progress report on 9 November 1998, from which it can be seen that the plan was for the request for proposals to be advertised in February 1999. In March 1999 I asked the Minister for Commerce and Trade if the request for proposals had been advertised. I was told that it was expected to be advertised on or about 20 March. That clearly is a delay of approximately one month from the time projected in November of the preceding year. I do not wish to nitpick about a delay of one month, although given the urgency of the need, it is worth mentioning. As I will continue to illustrate, that delay of one month has added to other delays in the process, all of which amount to a significant delay in the extension of telecommunication services to those small towns. In my judgment it is an unacceptable delay.

At 6 May this year the 1999-2000 budget papers were presented. A major achievement for 1998-99 was listed as -

A Statewide Telecommunications Enhancement Program (STEP) has been initiated, with tenders called and under

evaluation, which will result in major improvements in telecommunications infrastructure and services throughout the State. Twelve State agencies have aggregated a portion of their present and forecast telecommunications requirements to encourage carrier infrastructure investment and to facilitate the development of new online services for rural WA.

It is a repeat of the worthy objective, and in 1998-99 we were told that the program had been initiated. Again, in the 1999-2000 budget statements, listed under major initiatives for 1999-2000 is the following -

The Statewide Telecommunications Enhancement Program (STEP) will be rolled out to enable agencies to provide enhanced data services to their regional offices, and to deliver new services to some of the State's most isolated communities. These will include Telehealth, new education and training programs, videoconferencing, affordable Internet access and greater use of electronic commerce.

A major achievement for 1998-99 and a major initiative for 1999-2000 are the same worthwhile promise of extended services, offered and announced repeatedly by the Government. It is a very enticing promise, and criticism needs to be laid at the door of the Government for its tardiness in the implementation of this program.

If we look further at the 1999-2000 budget statements, under the capital works program, again we see a line item for communications pipeline, the same expression that was used in the preceding year's budget papers. The estimated expenditure to 30 June 1999 was \$5m; the estimated expenditure for 1998-99 was \$5m; the estimated expenditure for 1999-2000 was \$5m; and the estimated total cost was \$10m. In that sense, the figures presented under the line item for communications pipeline were consistent in the budget statements for 1999-2000 and 1998-99. However, when I used the Legislative Council estimates hearings to test this line item and the Government's commitment to the State's telecommunications enhancement program, the picture was much less happy; there was more evidence of delay and of the Government's failing to understand the urgency of the need for this program. The relevant hearing occurred on Thursday, 3 June. Present at the hearing, which I chaired, were Mr Richard Muirhead, the Chief Executive Officer of the Department of Commerce and Trade, and Mr Stephen Collins, the Executive Director of the Office of Information and Communications. The first thing I endeavoured to do was confirm that the reference in the budget to the communications pipeline was a reference to the capital support for the statewide telecommunications enhancement program. Mr Collins confirmed that that assumption was correct. At that time I was curious about the answer I had received from the Minister for Commerce and Trade in March. Other advice, such as the progress paper from 9 November 1998, indicated that the enhancement program was still in the early stages. The request for proposal was not advertised until 19 March. The budget paper, which came down on 6 May, stated that the expected expenditure up until the end of June 1999 was \$5m, and the expected expenditure for 1999-2000 was also \$5m. The question that puzzled me was how the same amount of money could be spent in both of those financial years, when the request for proposals were advertised only on 19 March. As the chairman of that hearing, I asked -

I note the \$5m estimated expenditure to 30 June 1999 on the communications pipeline. On what has this \$5m been spent, or on what will it be spent this financial year?

Mr Collins answered -

We are currently in negotiations with two telecommunications carriers and although the money will be committed within this financial year, it will not be spent. It will be spent in the next financial year. The commitment is to provide, broadly, terminal equipment and relay facilities throughout regional Western Australia.

Again there is a reference to only two carriers having a continued interest. I continued with my concern that two carriers might not provide sufficient competition for the best progress of the statewide telecommunications enhancement program. My questions continued -

The *Budget Statements* clearly state that the \$5m is estimated expenditure up until 30 June 1999. However, you are saying that it will not be spent in that period.

Mr Muirhead, the chief executive of the department, then said -

That is correct. When we first explored STEP, the complexity of letting such a contract was perhaps underestimated. When the budget was framed for the current financial year, we estimated the contract would have been let and those funds could have been expended by this time. As it turned out, the complexity was significantly greater. We had to do more assessment and scoping of the exercise before tenders could be called for. That has now pushed the project to a point where we will not have appointment until the end of this financial year, or very early next financial year, which then will trigger the expenditure of that \$5m.

Having established that the budget papers delivered on 6 May were incorrect, I went on to ask further questions. Having further established, through answers from Mr Collins, that the proportion of that \$5m expenditure estimated for 1998-99 which did not occur in that financial year would be transferred as additional money available for the program in 1999-2000, I became very concerned at the delays in the program. On 11 August, when Parliament resumed, I asked the Minister for Commerce and Trade a question without notice. In part, it stated -

Has a telecommunications carrier been appointed for the statewide telecommunications enhancement program?

The minister's answer was no. I further asked -

If the appointment of a carrier has not yet been made, why not, and when does the Minister for Commerce and Trade anticipate that it will be made?

The minister's answer to that part of the question stated -

Negotiations are well advanced with two carriers to establish a panel of competing carriers, this being in the long-term interests of country Western Australia. Contracts are expected to be signed within the next few weeks.

I am concerned that "the next few weeks" sounds like a very vague indication of time. I presume that means either late August or early September. I refer to Mr Muirhead's advice of 3 June. He estimated that in late June or very early in the new financial year, which would mean early July, the appointment would be made. However, rather than a projection of late June or early July, we have one of late August or early September - a further delay in the advance of this important program. That delay aggregates with the other delays to which I have referred, and the net effect is a serious neglect of those small towns while they are waiting for this program to advance. The Government simply fails to understand the urgency of the need that would be addressed by the advance of the statewide telecommunications enhancement program.

I return to the estimates hearing of 3 June. Having established that the \$5m allocated for 1998-99 would not be spent in that financial year, I then asked -

Has there been any expenditure at all on STEP?

Mr Collins answered -

Yes. It has cost approximately \$500 000 in reaching the point where we are now at. That has been part of the process.

I find it difficult to accept that when the Government presented its budget papers on 6 May, it said that the estimated expenditure by the end of June was \$5m. The actual expenditure by the end of June was \$500 000, which was estimated early in June. It is not a reasonable proposition that, when those budget papers were presented on 6 May, the Government would not have known that the enhancement program had been delayed and that the expenditure it estimated on 6 May for 1999-2000 was much less than the \$5m as presented in its budget statements.

That is another example of a sad lack of attention by the Court Government when presenting budget statements, which should be taken to mean what they say and as documents of substance. There were further questions in the hearing. Advice from Mr Collins was that they had only two carriers with an ongoing interest. Finally, as part of that exchange of questions, I asked -

When will the work on the telecommunications enhancement commence?

Mr Collins answered -

We anticipate that phase 1 roll out will occur in the first quarter of the next financial year. Three phases are involved, all of which will be completed within 18 months.

On 12 August last week I decided to test this proposition with the minister. By that time I was very concerned that there would be ongoing delays in the delivery of this important program. I asked the Minister for Commerce and Trade, through the Leader of the House in this Chamber -

When is it anticipated that each of roll-out phases 1, 2 and 3 of the statewide telecommunications enhancement program will be commenced and completed?

I was told that priority 1 locations would be organised within three months of the contract being signed. Members will recall that the best projection from the minister of when the telecommunications carrier would be appointed - I presume that means also when the contract was signed or that the signing of the contract would be a short time after the appointment of the carrier - was either the end of August or early September. If we project a further three months we are into November. The minister's indication is that the first phase will be completed by the end of November approximately. Of course, the approximations are limited by the vagueness of the answer I received from the minister. Mr Collins' indication on 3 June was that the phase 1 roll out would occur in the first quarter of the next financial year, which would obviously be before the end of September. That would be another two months' delay.

The grave concern is that each of these delays in the advance of this important program is cumulative. I have identified another two months' delay from the first quarter of the financial year. The 12 August answer from the minister indicated that the roll-out timetable was to meet all locations within 15 months of the contract being signed, which would approximately equate with the advice Mr Collins gave in June that it would be completed within 18 months. In essence, clearly the cumulating delays in the progress of this important program demonstrate the lack of will, not of the officers, who I believe have endeavoured to do their best to advance this program, but of the ministers of the Court Government. It is with them that the responsibility must lie and from them the drive to ensure the progress of projects must come. It is at their door that the responsibility for the neglect entailed in the cumulative delays in the progress of the statewide telecommunications enhancement program must rest. The Minister for Commerce and Trade and his colleagues can rest assured that I will be on their backs asking questions and prodding and reminding them of their earlier projections for the progress of this important program. I will be critical of future delays, which I hope do not occur. People in those small towns requiring the services that will be provided by this program cannot afford those delays continuing to occur. However, should they occur, the Minister for Commerce and Trade and his colleagues will be reminded by me.

In closing, I would like to reflect again on the nature of the Address-in-Reply. It is a very important institution. We have His Excellency the Governor present a speech on behalf of the Government, clearly written in accordance with the advice of the Government, as it should be in our system of government. The Address-in-Reply provides a useful opportunity for the Parliament to reflect on the Government's programs and to extend encouragement and praise, and criticism where appropriate. I find myself in the curious situation of clearly encouraging the Government with STEP and at the same being very critical of its failure to deliver the program at an earlier time, reflecting on the accumulated months that have been lost from when the essence of the program was first announced in the 1998-99 budget papers. My understanding of our system of government is that the Governor plays a very important role in advising his ministers. For very good reason I would never be aware of the Governor's advice to the ministers. Highly appropriately, a confidential exchange of advice occurs between the Governor and his ministers. Although I will never be able to receive an affirmative acknowledgment from the Governor, I will take the opportunity to urge him to remind the Minister for Commerce and Trade, who is also, of course, the Deputy Premier, of his responsibilities to the people in those small towns and to tell him that he must do whatever he needs to do as the responsible minister of the Crown to ensure that this important program is delivered without delay.

HON CHERYL DAVENPORT (South Metropolitan) [9.48 pm]: In my contribution to the Address-in-Reply debate for this year I want to raise three issues. The first concerns the Governor's speech as it relates to the positive contribution of seniors, in particular in this International Year of Older Persons. Second, I want to talk about disability services and the adopt-a-polly program. Third, I want to raise the issue of unplanned pregnancy and the need to look at a public health campaign that will reduce the number of unwanted pregnancies in Western Australia.

First, let me concentrate my remarks on the International Year of Older Persons. I want particularly to pay tribute to a woman by the name of Nancy Lithgo, who in July of this year turned 93 years of age. She is a life member of the Harold Hawthorn Senior Citizens Centre in Carlisle. She joined the centre as a volunteer back in March 1969. On her ninety-third birthday in July of this year she launched her autobiography, *A Glimpse Through My Mirror*.

It is a history of Nancy's life from the year of her birth in 1906 and contains anecdotes and memories over that lifetime. As a volunteer at the senior citizens centre, she was one of the contributors to our senior citizens centres throughout the State. She did almost anything that was going, including waiting on tables, serving tea, working within the hobbies club and preparing things in the kitchen to make sure that seniors had lunches through the meals on wheels program. In 1971 she became a board member of our senior citizens centre. She was also President of the Carlisle branch of the Pensioners League. In 1971 a significant event occurred at the centre, with the original board resigning en masse. That was when she became a member of the board. At that stage she had been the secretary of the social club. She was one of the officers who approved a loan of \$600 as part of the social club fund, which I guess in 1971 was a considerable amount of money, to keep the centre operating. She was made an honorary life member 10 to 15 years ago. At age 93 she still attends the centre quite frequently and participates in hobbies on Tuesdays. She was honoured at its thirtieth birthday celebrations in October last year.

She is a remarkable woman who was born in the United Kingdom around the Newcastle area, the daughter of a coalminer who died in 1915 when she was nine years old. Her mother, as Nancy puts it, was deaf and dumb. She died three years after Nancy's father died in 1918. She was diagnosed by the doctor as having died of a broken heart. I will share with members the events that surrounded the death of her father, as described in her book -

But I'll never forget the day after Lizzie's birthday, March 1st, when Dad got his back broken. I was coming home for lunch, from school, when one of my friends came running down the road to meet me and said:

"Your Dad's been killed down the mine."

I stopped still and cried. At this stage I was beside my Grandfather's gate. Then one of the other girls said: "It's not true. I saw him going over the road."

So I went home and the ambulance was just leaving our house for the infirmary. Dad must have had the ambulance call at home so that he could explain to Mum what he knew others could not.

Her mother understood only sign language and the only way to tell her mother what had happened was for the father to go to the infirmary via his home. When Nancy saw her father he was lying on an air mattress. To continue -

. . . and he told the doctor he knew he would not get better and so asked if he could go home to die. And he returned home, bed and all, which they could not get in through the door so they took the window frame and all out and got the bed in through there.

He was home two weeks before he died.

Nancy was the eldest of three children. I imagine that in those times it would have been a very traumatic event. Unable to speak or hear, obviously her mother found life very difficult with only her children able to communicate with her in any tangible way. As I said, her mother died only three years later. As Nancy says in the book, both parents were 33 years young when they died. That is very young.

Nancy was raised by her grandparents and had minimal education. She asked to leave school five days after turning 13 so that she could work to help pay for her keep. She worked on a farm for seven years, including during the 1914-18 war. She was very much a part of the war effort, as were many women in both the Great War and the 1939-45 war. She worked five-and-a-half days a week and earned 13 shillings a week. During harvest time she worked from 6.00 am to 10.00 pm. That is pretty much what farmers do. However, as a young woman that would have been hard slog.

Nancy arrived in Western Australia in 1931 and married her English sweetheart, who had preceded her to Australia in 1928. When she left the United Kingdom she had five pounds. On arrival in Fremantle she had five shillings left, which she spent on a dressing gown. She was married a week later to Hector, who was a farmhand, and they lived on a farm in Katanning. They had four children in some very difficult circumstances. Her third child was born when they were at a settlement called Nulla Nulla near Moorine Rock during the Depression. I will read some more of her amazing story -

After nearly two years in tents -

That is how they lived at Nulla Nulla -

- I was to have another baby. I was unlucky, yet lucky this time. I was about eight months pregnant and had arranged for a neighbour to look after my two little ones and arranged to go into King Edward Memorial Hospital. I never saw a doctor, I just wrote to the hospital and booked myself in. Margaret was born a month premature. The day before she was born, Anne was playing outside the tent, between the road and the railway line, when a large truck carrying two long water pipes came along, making an awful noise. I could see that Anne was frightened and was coming home. I knew she wouldn't make it, so I ran to stop her and the truck passed us, the driver stopped way past us and came back and said, "I'm glad you ran to her as I couldn't stop, I have no brakes." But I couldn't answer as I had strained myself running so fast. That was the reason for the quick trip to King Edward. After that my husband and I flagged down the Kalgoorlie train at about 3am and I got aboard with my case. I had no idea where the hospital was. When I got off the train at Perth Station I was told to get a tram in Hay Street and to get off at Rokeby Road. I was walking along the street with my case when a man asked where I was going.

When I said that I was going to hospital, he said that I was going in the wrong direction. I reached it about lunchtime . . . the doctor told me to go back the next day. Unfortunately my baby thought differently and arrived at 11.30pm on July 20, weighing in at 5lb 4oz.

On the return journey, I went straight to Perth and from there caught the Kalgoorlie train.

She did all this by herself.

When the ticket inspector came around and asked me where I was getting off, I replied "Nulla Nulla." He said, "Lady you can't get off there. There are no houses within miles of that siding." and to which I replied, "No, but there should be a couple of tents in the bush there somewhere."

She is a remarkable woman. Sometime after this event they went to Perth and her husband went to war. She again managed her children alone, as did many women of that time. In 1964 they sold everything and returned to England. They returned home to Perth the following year to a unit in Belmont that their girls had bought for them. As there was insufficient room for her husband to grow anything they decided to move to Kalamunda, where he did a lot of heavy work renovating and gardening.

It was at this time that Hector had a stroke. He was ill for many weeks in Hollywood Repatriation Hospital, but she persuaded the doctors to let her bring him home. She found a house in Carlisle on flat ground. Her aim in bringing him home was to celebrate their thirty-first wedding anniversary on 31 July 1969. It was not to be, as he died on 6 July 1969. It was after his death that she began her time with the senior citizens centre. She is one of the unsung pioneers of Western Australia, and is still an active participant at 93 years of age.

Debate adjourned, pursuant to standing orders.

House adjourned at 10.00 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

GOLDFIELDS, AERIAL COLOUR PHOTOGRAPHS

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

- (1) Is the Minister for Lands aware that mineral prospectors and others involved in exploration activity in the Goldfields region are keen to gain access to aerial colour photographs of the region in order to assist them with their work?
- (2) Will the Minister take steps to ensure that the Department of Land Administration's aerial mapping photography project for Western Australia, of which panairama forms part, is in future carried out in the Goldfields using colour photography so as to ensure that aerial colour photographs of this region are available for purchase?
- (3) If not, why not?
- (4) If yes, when will the project move from black and white photography to colour photography?

Hon MAX EVANS replied:

- (1) Yes.
- (2) I will ask the Department of Land Administration to investigate the cost differences between black and white and colour photography and prepare a report for me recommending at what scale future photography should be taken and whether in black and white or colour.
- (3)-(4) I will await the detailed report before making a decision.

TOURISM, ONSLOW

42. Hon TOM STEPHENS to the Minister for Tourism:

- (1) Are you aware that tourist operators in Onslow indicate that visitor numbers are down by as much as 50 per cent this year, since *Cyclone Vance* hit the town in March?
- (2) Are you also aware that local accommodation providers have reported decreases in bookings of up to 75 per cent and that the local Onslow Tourist Bureau says the number of visitors through its doors are significantly down on last year?
- (3) What specific steps have you taken to address the problems that have arisen for the Onslow tourism industry since *Cyclone Vance*?

Hon N.F. MOORE replied:

- (1)-(2) The Western Australian Tourism Commission is unaware of any official statistics that have been released in relation to a decline in visitor numbers to Onslow. However, I understand that the Onslow Tourist Centre reported an increase in visitor numbers for the month of June compared with the same period in 1998.
- (3) The Western Australian Tourism Commission undertook a dedicated radio promotion for both Exmouth and Onslow which commenced 23 May 1999. Approximately 130, 30-second radio advertisements advising that Onslow is "open for business" were featured as part of the regional radio campaign which commenced 23 May 1999. In addition to the regional radio advertisements, 20, 30-second advertisements were featured in the metropolitan area campaign which commenced 20 June 1999. Details of the situation in relation to Onslow were included in a bulletin entitled "Exmouth Now". Eight weekly editions of this bulletin were circulated to almost 500 road houses, caravan parks, hotels motels and hire car agencies from 12 April to 16 June, with a further two monthly editions to be produced in late June and July. The Western Australian Tourism Commission has negotiated with Channel 7 to feature a special television program towards the end of July that features both Exmouth and Onslow.

TELSTRA, PRIVATISATION

43. Hon TOM STEPHENS to the Leader of the House representing the Minister for Regional Development:

- (1) Does the State Government support the aim of the new head of Telstra, Dr Ziggy Switkowski, for full privatisation of Telstra?
- (2) If yes, what steps will the State Government be taking to ensure that regional West Australians are not disadvantaged once again through privatisation?

Hon N.F. MOORE replied:

This question was previously asked as PQ 1716. The following answer was correct as at 2 August 1999, on which it was sent to the member's electorate office.

- (1) Yes.
- (2) In several submissions to the Commonwealth Government, the State Government has argued for significant tightening of the consumer safeguards and anti-competitive provisions in Commonwealth legislation. Acceptance of this need is reflected in consumer protection legislation recently passed by the Commonwealth Parliament.

For example it provides for "automatic" payment of damages by any carriage service provider, not just Telstra, if it breaches a Customer Service Guarantee Standard. Also the Australian Telecommunications Authority has been given a new power to direct carriage service providers to take remedial action on systemic problems or face fines up to \$10 million. The Commonwealth Government has now issued for comment a draft *Telecommunications (Customer Service Guarantee) Direction* which directs the Australian Communications Authority to make new performance standards relating to arrangements with customers for connection and rectification of services and for carriage service providers to pay financial compensation if they fail to meet standards.

The Deputy Premier, as the Western Australian member of the national Online Council, has advocated a stronger national approach to achieving upgraded telecommunications infrastructure throughout regional Australia. The key paper, drafted by Western Australia, seeks removal of legislative barriers to wider aggregation of telecommunications traffic, broadening the Universal Service Obligation and an improved role for Networking the Nation funding.

A current Optus trial of satellite telephony involving farmers in Western Australia is demonstrating that better quality service at less cost can be provided by carriers other than Telstra.

These recent initiatives will place the onus for adequacy of telephone services upon the Federal Government and all carriers. Telstra's ownership is no longer the major issue.

QUESTIONS WITHOUT NOTICE

NORTH EAST KIMBERLEY POWER DISTRIBUTION NETWORK

54. Hon TOM STEPHENS to the Leader of the House representing the Minister for Energy:

Further to the answer given to question without notice 29, of which some notice was given, of Wednesday, 11 August 1999, I ask -

- (1) Will the use of liquefied natural gas in the power generation in the west Kimberley produce a guaranteed drop in the price of electric power provided to any power users?
- (2) If so, to which users, and what drop is proposed?
- (3) Given the failure of Western Power to enter into bona fide negotiations for independent access to Ord Hydro for the reticulation system of the north east Kimberley for large energy customers, on what basis should large energy users in the west Kimberley have any legitimate expectation that their experience will be any different following the introduction of gas-fired power stations in Broome, Derby and Fitzroy Crossing?

Hon N.F. MOORE replied:

- (1)-(2) Western Power's residential and commercial customers receiving power under a uniform tariff can continue to do so. The availability of a new source of fuel, LNG, gives the opportunity for other communities and resource projects in the region to shift to this source of fuel for their own power generation. The independent power producer selected to provide power to Western Power will be able to sell direct to larger customers, and this opportunity for competition delivers the potential for lower contract power prices for these users.
- (3) The Minister for Energy does not concede that there has been a failure to negotiate between Western Power and Ord Hydro on access charges for the use of Western Power's distribution network. With respect to Broome, Derby and Fitzroy Crossing, the basis for access charges should be well established sufficiently in advance of the proposed LNG fuel facility becoming available for large users to consider taking a supply direct from such facilities.

DRIVER CLASSIFICATIONS AND TRAINING LEGISLATION

55. Hon TOM STEPHENS to the Minister for Transport:

Can the minister explain why new driver classifications and training legislation, which the Government first promised in 1994 in the wake of the Greenmount Hill disaster, and then promised every year thereafter, and for which the Government even signed a national agreement to implement in 1997, still has not been introduced into Parliament?

Hon M.J. CRIDDLE replied:

We are very close to the point at which this legislation will be introduced into Parliament. In fact, we are in the process of conducting debate in the party room and Cabinet.

Hon Tom Stephens: It might go nowhere, then!

Hon M.J. CRIDDLE: I expect that in the next month or six weeks it will come before Parliament. We intend to progress the measure quickly through Parliament, and I hope we will see the legislation through by Christmas.

Hon Ken Travers: Will you stake your job on it?

Hon M.J. CRIDDLE: Members opposite have an outstanding say in the way things run in this House. If they are happy to see it progress through this Chamber, we will see it pass through the parliamentary process by the end of the year. Both the national drivers licence classifications and the graduated drivers licensing scheme will be a tremendous advantage to the public. Young people will be able to obtain a learners permit at 16 years of age. Plenty of evidence indicates that that is the right way to go. The Government has put in place the Road Safety Council and the Office of Road Safety, and participates in the relevant ministerial council. A great deal of scientific information has been compiled to back up the graduated drivers licensing scheme: A learners permit will apply for six months, so people have an immediate opportunity to drive on the road. A practical test will be conducted at age 16 years and six months. People will then undertake 60 hours' driving under the supervision of an experienced driver in all conditions, including on freeways, perhaps on gravel roads and under wet conditions. Drivers will come out of the process with a real understanding of how to drive in all conditions. We hope that will alleviate some of the problems being experienced on our roads. An opportunity will be provided for people to be licensed probationary drivers for two years under the probationary scheme. People can then obtain an ordinary drivers licence at the end of that process. It is a good initiative. I look forward to the cooperation of members opposite when the legislation reaches this House.

GOODS AND SERVICES TAX, MONITORING OF PRICES

56. Hon N.D. GRIFFITHS to the Minister for Finance:

- (1) Is the minister aware that the agreement between the Commonwealth and the States regarding the imposition of the GST provides for Western Australia to have a role in the monitoring of prices?
- (2) Is the minister aware that the agreement specifically provides for the State to adopt legislation modelled on part VB of the Trade Practices Act relating to price exploitation to cover areas outside the Commonwealth's constitutional power?
- (3) Is the minister aware of the State's agreement to work towards having any such legislation in place by 1 July 1999?
- (4) Does the minister stand by his observation last Wednesday regarding the Government's intention to implement legislation for the purpose of monitoring prices in the lead up to the GST; namely, "I am not aware of the Western Australian Government discussing the legislation"?

Hon MAX EVANS replied:

- (1)-(4) I am trying to find the question to which the quote relates. Such legislation will come from the Treasurer or the Minister for Fair Trading. I am aware of the need for much of this legislation to be passed. I am also well aware of the problems of the Australian Taxation Office in designing the system. Much legislation must be passed. Measures will be seen in a few weeks, and they will be introduced when available.

OMEX TOXIC WASTE SITE, BELLEVUE

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

In regard to the Omex toxic waste site in Bellevue -

- (1) Who currently owns the land?
- (2) What does the Government intend to do with the land once it is remediated?
- (3) What action has the Government taken to pursue the polluters of the site for the cost of remediation?
- (4) Where has the contaminated soil and sludge removed from site been disposed of, and what remediation process has it undergone?
- (5) Does the material contain dioxin, and what tests have been conducted to identify dioxin levels?

Hon MAX EVANS replied:

I thank the member for some notice of this question. To provide the answer in the time required is not possible. I request that the member place the question on notice.

DECLARATION OF VOCATION

58. Hon HELEN HODGSON to the Leader of the House representing the Minister for Employment and Training:

- (1) What procedures must be followed in order for a declaration of vocation to be established, and in which legislation are they contained?

- (2) What, if any, procedures are in place for a declaration of vocation to be reversed or removed on the request of a vocational training body?
- (3) How many applications for declaration of vocation have been made in the last two years?
- (4) How many of these applications have been approved?
- (5) How many applications have been made to have a declaration of vocation removed or reversed?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) The term "declaration of vocation" is taken to refer to the process of prescribing a trade as an apprenticeship trade. Trades are prescribed by regulation under section 21 of the Industrial Training Act 1975. Procedures are the ordinary procedures for making regulations. Regulations are made by the Governor in Executive Council, published in the *Government Gazette* and tabled in both Houses of Parliament.
- (2) The procedures for a prescribed trade to be reversed or removed require regulations to be made revoking the regulation prescribing the trade. The process is the same as that referred to above.
- (3) None.
- (4) Not applicable.
- (5) None.

CITY OF JOONDALUP, POPULATION AND LAND RELEASES

59. Hon RAY HALLIGAN to the Leader of the House representing the Minister for Planning:

- (1) What is the current population of the City of Joondalup?
- (2) What proportion of the original Joondalup development has been completed in terms of land releases?
- (3) What sort of population growth is expected in the area over the next few years?

Hon Ljiljanna Ravlich: Put it on notice!

The PRESIDENT: Order! Every member in this House is entitled to ask a question. Some do not and that is their decision and option. However, if any member in this House seeks the call to ask a question, that member is entitled to ask it, so long as it complies with standing orders. It is all right for some people to say "put it on notice"; that could be said to everyone who stands, which would represent a pretty stupid situation.

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) The population figure for the City of Joondalup at 30 June 1998 was 154 641.
- (2) Approximately 50 hectares, or 5 per cent, of the original 1000 hectares remains undeveloped. The undeveloped landholding comprises Business Park South, 35 hectares; central business district stage 3, nine hectares; and the city north and Lakeside residential areas, six hectares. The residential components are currently under construction.
- (3) The population growth rate for the City of Joondalup for the period 1996 to 1998 was 2.09 per cent per annum. It is likely to maintain this growth rate in the near future.

RETAIL TRADING HOURS

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

I refer to the review of the retail trading hours undertaken by the Government earlier this year and ask -

- (1) Has the Government made a decision on retail trading hours in the metropolitan or near-metropolitan area?
- (2) Has the Government rejected the proposal to increase retail trading hours?
- (3) If not, when will the Government announce its decision on retail trading hours?
- (4) Is the Government aware that the uncertainty over retail trading hours is causing concern among small retailers; and, if so, will the Government allay those concerns without delay?

Hon MAX EVANS replied:

- (1)-(4) The review of the Retail Trading Hours Act, as required by the national competition policy, was recently completed. The review took over 12 months to complete and involved over 1 600 submissions. Given its significance to all sections of the community, particularly small business, the Minister for Fair Trading is considering both the economic and social impacts of the report's recommendations. In consideration of these very important issues, the Government will make its decision as soon as possible. However, there will be no move to vary trading hours until we are certain that all aspects have been considered, not just the economic aspects. In

addition, prior to the last election the Government gave an undertaking to small business that it would "maintain the existing policy in relation to shop trading hours".

HOMESWEST HOUSING, BUNBURY REGION

61. Hon BOB THOMAS to the minister representing the Minister for Housing:

- (1) Will the minister table details of the Homeswest housing upgrade for the suburbs of Withers, Carey Park, Shearwater and Glen Iris announced last week by the member for Mitchell in the *South Western Times*?
- (2) What is the size of the regional hospital site and what part of that will be used for housing in the plan announced by the member for Mitchell?
- (3) What price will Homeswest pay the Health Department for this land?
- (4) Has the Health Department and/or its minister agreed to this particular use for the old regional hospital site?
- (5) Have any planning applications been forwarded to the local authority; and, if so, when?
- (6) Which parts of the member's plan have not already been announced by the Government in the past?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) Details of the proposed joint venture are pending the selection of a suitable joint venture partner. No conditions have been placed on the proposed joint venture as innovative planning solutions are being called for in the development of these parcels of land.
- (2)

Regional hospital site total area	8.9042 hectares approximately
Nursing home site	1.7806 hectares approximately
Silver Chain site	0.4318 hectares approximately
Remainder to be used for housing	6.6918 hectares approximately
- (3) The sale price will be on the basis of current market value. The sale price has not yet been determined.
- (4) Agreement in principle has been reached with the Health Department.
- (5) A request to initiate rezoning of the Bunbury Regional Hospital site was lodged with the local authority on 17 June 1999.
- (6) The joint venture of the Bunbury land holdings has not been previously announced.

ENVIRONMENTAL PROTECTION AUTHORITY BOARD, PAYMENTS TO MEMBERS

62. Hon LJILJANNA RAVLICH to the minister representing the Minister for the Environment:

- (1) Has any member of the board of the Environmental Protection Authority received payments or retainers from external companies?
- (2) If so, when did the minister become aware of these payments or retainers?
- (3) Was a pecuniary interest declared?
- (4) What procedures are in place to declare a pecuniary interest?

Hon MAX EVANS replied:

I thank the member for some notice of this question. Providing the information in the time required is not possible and I request that the member place the question on notice.

HOTEL, ADJACENT TO BARRACK STREET JETTY

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

- (1) Is the Premier aware of an application for a three-storey, 74-room hotel on the riverfront adjacent to the Barrack Street Jetty?
- (2) At what stage is this proposal?
- (3) Does this proposal meet the requirements of the current master plan for this area?
- (4) Does this proposal meet the heritage constraints of this historic area?
- (5) Does the Premier support such a development at this location?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1)-(2) An application was lodged with the trust - I presume that is the Swan River Trust but I will have to check that - and

referred to the relevant authorities for comment prior to the trust providing advice to the Minister for Water Resources for determination.

- (3) A hotel between the Barrack Street Jetty and the West Australian Rowing Club is shown in the Barrack Square redevelopment master plan as the Old Perth Port Hotel.
- (4) The proposal has been referred to the Heritage Council, and the trust is awaiting its response on these issues.
- (5) It would need to have all the necessary approvals for such a site and fit in with the adjacent Barrack Square redevelopment.

CANNABIS OFFENCES

64. Hon NORM KELLY to the Leader of the House representing the Minister for Police:

- (1) For the past six months or similar reporting period, what has been the number of charges laid for simple cannabis offences in the police districts of -
 - (a) Mirrabooka;
 - (b) Bunbury; and
 - (c) Cannington?
- (2) For the same reporting period, what has been the number of cautions issued for simple cannabis offences in the police districts of -
 - (a) Mirrabooka; and
 - (b) Bunbury?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. A search of the Western Australia Police Service statistical database has been conducted concerning the number of cannabis cautions offences in the police districts.

- (1) Between 1 February 1999 and 31 July 1999 the number of charges laid for simple cannabis offences were -

(a) Mirrabooka	412
(b) Bunbury	75
(c) Cannington	456
- (2) Between 10 October 1998 and 17 August 1999 the number of cautions issued for simple cannabis offences were -

(a) Mirrabooka	78
(b) Bunbury subdistrict	6

MEAT INSPECTION COURSE

65. Hon KIM CHANCE to the minister representing the Minister for Health:

- (1) Has the Health Department reached agreement with the Meat Industry Training Advisory Council, TAFE WA, the Curtin University of Technology and local government that the current meat inspection course conducted by TAFE will meet the requirements of the National Meat Industry Training Advisory Council - MINTRAC - curriculum for training to meat safety officer certificate levels 3 and 4?
- (2) Does the agreement include an understanding that unless a person holds a qualification equivalent to certificate 4, he should not be permitted to practise as a meat inspector in Western Australia?
- (3) Is the Minister for Health aware that the Australian Quarantine and Inspection Service has run two-month courses in other States for meat inspectors, to satisfy the needs of companies that wish to employ their own meat inspectors?
- (4) Is the minister aware that until recently the Narrikup abattoir employed a purported inspector who held only this inferior qualification?
- (5) Is the employment of this underqualified inspector a breach of the undertaking that this House has been given by the then Minister for Health that inspectors with inferior qualifications will not be permitted to exercise this function in this State?

Hon MAX EVANS replied:

- (1) Yes.
- (2) Yes, at abattoirs under the control of the Health Department of Western Australia and local government.
- (3) Yes. The Health Department is aware that there have been short, full-time courses offered in other States.
- (4) Yes. A meat inspector was employed under contract to the Australian Quarantine and Inspection Service.
- (5) No. The employment of meat inspectors by AQIS and their qualifications are dealt with under commonwealth legislation, which is beyond the control of this House.

ROAD ACCIDENTS, REPORTS

66. Hon TOM STEPHENS to the Minister for Transport:

- (1) Who is preparing reports on the road accidents that occurred over the weekend?
- (2) Will they be made public?
- (3) If not, why not?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1) The major crash investigation section and the local police district crash investigators of the Western Australia Police Service are preparing reports. The investigation reports are prepared for the State Coroner.
- (2) Yes.
- (3) Not applicable.

EDUCATION DEPARTMENT, RM AUSTRALASIA PTY LTD CONTRACT

67. Hon E.R.J. DERMER to the Leader of the House representing the Minister for Education:

When will the Education Department of Western Australia conduct a performance review of its contract with RM Australasia Pty Ltd?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

At the end of term 4, 1999, and at the conclusion of the pilot phase being conducted in a small number of schools, the Education Department will conduct a performance review of the contract with RM Australasia Pty Ltd.

REGIONAL FOREST AGREEMENT, EXPENDITURE ON THINNING THE JARRAH FOREST

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

Can the minister please provide more information on the implementation of the \$5m program, indicated as part of the Regional Forest Agreement, which is to be spent on thinning the jarrah forest? In particular -

- (1) Has this funding been allocated?
- (2) In which jarrah blocks will the thinning take place?
- (3) Will it involve the use of mechanical harvesters?
- (4) How many hectares can be treated by this sum?
- (5) Will the thinning specifically target what are known as "pole stands" or will it include young regrowth?
- (6) How many people will be employed?
- (7) Which officer is responsible for coordinating this program in the Department of Conservation and Land Management?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

Providing the information in the time required is not possible and I request that the member place the question on notice.

WATER RESOURCES, YARLOOP AND COOKERNUP

69. Hon J.A. COWDELL to the minister representing the Minister for Water Resources:

- (1) Has the minister received a petition from the residents of Yarloop and Cookernup who are concerned about the detrimental effects caused by the large-scale use of ground water for mining in the area?
- (2) What action does the minister propose to take to address these concerns?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) Yes.
- (2) A letter and survey was sent to all the land-holders who signed the petition for completion by 6 August 1999. The Water and Rivers Commission and the Department of Environmental Protection are currently reviewing the results of the survey and will then determine the appropriate action to be taken.

GOVERNMENT PROJECTS, JOB CREATION POTENTIAL

70. Hon JOHN HALDEN to the Leader of the House representing the Minister for Employment and Training:

Have the following projects been referred to the Western Australian Department of Employment and Training and the State Training Board for advice on their job creation potential and implications for the state training profile: The new convention centre, the belltower, the Fremantle Maritime Museum and the motor sports complex?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. As I do not have an answer to the question I ask that the member place it on notice.

GOVERNMENT VEHICLES, ASSESSMENT OF RENTAL INCREASES

71. Hon KEN TRAVERS to the minister representing the Treasurer:

I refer to the employment of an actuary to assess the impact of rental increases on the overall cost of the decision to contract the government vehicle fleet and I ask -

- (1) Has this assessment been completed?
- (2) If yes, will the minister table the assessment?
- (3) If not, why not?
- (4) If no, when will the assessment be completed?
- (5) Will the minister table the assessment when it is completed?
- (6) If not, why not?

Hon MAX EVANS replied:

I thank the member for some notice of this question and ask that it be placed on notice.

ROAD TRAFFIC AMENDMENT BILL, INTRODUCTION

72. Hon TOM STEPHENS to the Minister for Transport:

Earlier the minister told the House that he expected to have road traffic amendment legislation before the Parliament by the end of the year. How does he explain that a cabinet decision on that legislation was made in September of last year, yet the legislation is still not before the House?

Hon M.J. CRIDDLE replied:

The Road Traffic Amendment Bill contains a number of different issues. Obviously, we are compiling all of those issues into one amendment Bill, and they will be put forward in that fashion.

SEWERAGE, EATON

73. Hon BOB THOMAS to the minister representing the Minister for Water Resources:

- (1) Has the Water Corporation put on hold the installation of mains sewerage in the Eaton area?
- (2) If yes, what was the proposed timetable and what is the new timetable for the mains sewerage installation?
- (3) What was the reason for the change in timetable?
- (4) What role did the member for Mitchell play in this decision to change the timetable?
- (5) Did the Water Corporation take into account the effect this decision will have on the further eutrophication of the estuary; and, if so, how?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) Yes.
- (2) The commencement of infill sewerage reticulation for Eaton was provisionally programmed for 1999-2000 and was to extend over four to five years. The revised planning is dependent upon confirmation of the timing for the Kemerton wastewater treatment plant project.
- (3) The timing of construction of sewerage facilities at Eaton is dependent upon confirmation of the timing for the Kemerton wastewater treatment plant project. However, with the existing wastewater treatment plant operating beyond its maximum capacity, the Water Corporation was forced to delay construction of infill sewerage reticulation.
- (4) None. The member for Mitchell was briefed and has been regularly informed of the Water Corporation's position.

- (5) Yes. However, sewerage reticulation cannot be undertaken until treatment capacity is available.

CANNABIS CAUTIONING TRIAL

74. Hon NORM KELLY to the minister representing the Minister for Family and Children's Services:

- (1) Has the minister received a report on the initial six-month trial of cautioning cannabis offenders?
 (2) If not, what has caused the delay in receiving this report?
 (3) If yes, when was this report received?
 (4) Will the minister now table this report?
 (5) If not, why not?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

The Minister for Family and Children's Services has supplied the following reply -

- (1) Yes. The trial of the cannabis cautioning and mandatory education system has been continuously monitored, involving various written reports. This includes a report on the initial six months which has been completed to assist with the management of the pilot. The report has provided some useful interim results; that is, nearly all people eligible are dealt with by way of caution, 85 per cent attend the mandatory education session, and the education session is having an impact on the knowledge of offenders. Its main purpose, however, has been to assist with improving the logistics of the operation and other purely organisational issues.
 (2) Not applicable.
 (3) 5 July 1999.
 (4) No.
 (5) A formal evaluation will be conducted following the full 12 months operation of the trial in October 1999. The report will be publicly available. It will provide a comprehensive description and analysis of the trial conducted, according to a robust methodology. I anticipate that it will be available within two months of the completion of the 12-month trial. The six-monthly report and various other reports have been compiled for internal use and as such are not intended for public release.

ROWE, MR PETER, CONTRACT

75. Hon LJILJANNA RAVLICH to the Leader of the House representing the Premier:

In relation to the term-of-government contract which Mr Peter Rowe had with the Government -

- (1) For what period did the contract run?
 (2) Why was this contract terminated?
 (3) Was any compensation paid to Mr Rowe at the termination of the contract?
 (4) If yes, what amount of compensation was paid?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1)-(4) Details of Mr Rowe's term-of-government contract are currently the subject of a review by an independent inquirer appointed by the Commissioner for Public Sector Standards.

Several members interjected.

Hon N.F. MOORE: If the member would like to ask a question about Marcelle Anderson, I would be pleased to answer.

Several members interjected.

Hon N.F. MOORE: The Labor Government's record will come out and the member will be very sorry.

PANGEA RESOURCES AUSTRALIA, DISCUSSIONS

76. Hon TOM STEPHENS to the Minister for Mines:

- (1) Has the minister, his office or department had any discussions with Pangea Resources Australia?
 (2) If not, does the minister intend to meet with Pangea to discuss its proposal for an international nuclear waste dump in the Western Australian outback?

Hon N.F. MOORE replied:

- (1)-(2) I have not spoken to anyone from Pangea, but I do not know whether anyone in my office or the Department of Minerals and Energy has. The member would need to ask them.

Hon Tom Stephens: You are the minister, the office and the department. Have you not heard from the Attorney General what is your role?

Several members interjected.

The PRESIDENT: If members do not want an answer, the minister can sit down and we will get on with the Address-in-Reply debate.

Hon N.F. MOORE: I am very anxious not to mislead the House. The member asked me whether any of the 700 people working in the Department of Minerals and Energy have talked to Pangea Resources Australia. I cannot tell him, and I hope he would not expect me to.

Hon Tom Stephens: I do. The Attorney General expects you to.

Hon N.F. MOORE: Having been a minister for only three weeks, the member would not know that it is not possible to ask everyone in the department whether he or she has spoken to someone about something.

Several members interjected.

The PRESIDENT: If Hon Ljiljanna Ravlich does not stop interjecting, I will do something in the next three weeks that will not impress her!

Hon N.F. MOORE: I have not spoken to anyone, but I cannot give an assurance that no-one in the department has spoken to anyone about a nuclear waste dump. I have no intention of speaking to anyone about a nuclear waste dump in Western Australia.

I find it interesting that the Labor Party is now getting on the Greens (WA) bandwagon to create fear and loathing in the community about a proposal that, as far as the Government is concerned, is going nowhere. The Premier has said there will be no nuclear waste dump in Western Australia for overseas nuclear waste. He has always said that Australians should look after their own nuclear waste, and I support that position.

Hon Tom Stephens: What if Barnett is the leader?

Hon N.F. MOORE: If members opposite continue to run this story - as no doubt they will - they will create uncertainty, fear and loathing in the community for no good reason other than base political purposes. As we know, that is what members opposite are all about.
