



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
FIRST SESSION
1997

LEGISLATIVE ASSEMBLY

ESTIMATES COMMITTEE A

Friday, 23 May 1997

Legislative Assembly

Friday, 23 May 1997

ESTIMATES COMMITTEE A

The meeting commenced at 9.00 am.

The CHAIRMAN (Mr Johnson) For the information of members, this Estimates Committee will be reported by Hansard and a proof document will be made available to the Committee Clerk progressively throughout the day. The daily *Hansard* will be available the following morning.

I caution members that if the Minister asks that a matter be put on notice, it is up to members to lodge the question on notice with the Clerk's office. Only supplementary information which the Minister agrees to provide will be sought within one week.

It will also greatly assist Hansard if when referring to the Budget Statements volumes or the Consolidated Fund Estimates, members give the page number, item, program and amount in preface to their question.

As has been the practice of previous Estimates Committees, members should not raise questions about matters of general concern which do not have an item of expenditure in the consolidated fund. The Estimates Committee's consideration of the Consolidated Fund's Estimates of Expenditure will be restricted to discussion of those items for which a vote of money is proposed. We are dealing with estimates of expenditure and that should be the prime focus of this committee. While there is scope for members to examine many matters, they need to be clearly related to matters of expenditure. For example, members are free to pursue performance indicators which are included in the budget statements while there remains a clear link between the questions and the estimates. It would assist in the committee's examination if questions and answers can be kept brief, without unnecessarily omitting material information. It is the intention of the Chairman to ensure that as many questions as possible can be asked and answered and that both questions and answers are short and to the point.

The Minister may agree to provide supplementary information to the committee, rather than ask that the question be put on notice for the next sitting week. For the purpose of following up the provision of this information, would the Minister clearly indicate to the committee which supplementary information he agrees to provide.

Details in relation to supplementary information have been provided to both members and advisers and accordingly I ask the Minister to cooperate with those requirements.

Division 2: Parliament, \$25 178 000 -

[Chairman, Mr Johnson.]

[Mr Strickland, Speaker of the Legislative Assembly.]

[Mr P. J. McHugh, Clerk of the Legislative Assembly.]

[Mr D. K. Carpenter, Deputy Clerk of the Legislative Assembly.]

[Mr N.J. Burrell, Chief Hansard Reporter.]

[Mr B. Bott, Parliamentary Librarian.]

[Mr V. Pacecca, Executive Officer.]

[Mr D. Conroy, Acting Finance and Personnel Officer.]

Mr KOBELKE: At page 658 reference is made to forward estimates for the years through to 2000-01. The general increase across that period does not use the standard government price deflator. It shows the total increase over three years of about 1 per cent. Are these figures in any way meaningful? Forward estimates are to give an indication of funds to be available in future years if current policies are applied to those years. Clearly inflation will occur, even if it is only 2 per cent, and might be reflected. Unless huge efficiencies are built into existing policies that will save money, I am concerned that these figures will mean a vast reduction in the quality of services available to the parliamentary divisions; or the figures are meaningless.

The SPEAKER: The figures are given to us by Treasury. One of the variables will be committees and expenditure for committees. Those battles are fought on a year by year basis. I agree with the member that a 1 per cent increase over three years is of concern.

Mr KOBELKE: I understand the Speaker's position. However, if these papers are to mean anything clearly the Government, not necessarily the Speaker, must substantiate the figures for forward estimates or we will take them as deceptive and misleading and of no worth.

The SPEAKER: I cannot agree they are deceptive and misleading; they are indicative. It is my intention to take up the matter. I have been in the job for 10 weeks.

Mrs ROBERTS: A number of areas have FTE increases - three in the Legislative Council, two in the Legislative Assembly, three for the Joint House Committee four for Joint Printing and one in the library - an increase of 13. What is the reason for these FTE increases when the Public Service generally is operating in an environment of not increasing FTEs? What benefits will accrue because of them?

[9.10 am]

The SPEAKER: I will ask the Clerk to provide the details relating to the Assembly, and as each department comes before the committee, we can quickly provide that information.

Mr McHUGH: It is not an increase in staff. We are looking at the actuals for 1996-97, not Treasury's approved FTEs. Much the same situation occurred in previous years. Although the figure is a nominal 22, we have delays in filling vacancies. The committee staff varies depending on the number of committees appointed. With the winding down of committees last year we did not replace a senior research officer for the Public Accounts and Expenditure Review Committee until about a week ago. Our approved level is 22, and last year our actual was a little over 20. An increase in staff has not occurred. I suspect that the same is largely true for each parliamentary department. They will be able to advise accordingly.

Mr RIPPER: In previous years a substantial amount has been expended on committees. The Select Committee on Procedures has recommended a system of standing committees which would take up some of the funding that is now allocated to select committees established on an ad hoc basis. On what assumptions about committee activity is this budget for the Legislative Assembly constructed?

Mr McHUGH: The expenditure is at the same level as that with which we went into the last financial year. It is difficult to budget for committees, particularly coming into a new Parliament. The Procedures Committee's recommendations had not been responded to by the Government at the time the budget was prepared. They had only just come to fruition. Consequently, there is still considerable doubt because no response has been received from the Government, nor have we had a clear indication by the Opposition regarding the approach it wants to take. We have kept the expenditure at the same level as the previous budget. We will need to adjust it, depending on the decisions this House makes about committee activities.

The SPEAKER: Members will be aware that leading up to the last election, which was six months before the new budget process, not too many committees were operating. They were winding down. In this new Parliament, the committees are just being set up. In last year's budget, the expenditure on committee work was low. However, we have retained that expenditure at a level which we believe will accommodate the committees in this budget.

Mr MacLEAN: My question relates to the cost of the damage to the pumping station for the fountain. What procedures will be put in place to avoid future damage? What area of this budget will cover that?

The SPEAKER: I suggest that the member ask that question when Joint House Committee matters are being debated.

Mr KOBELKE: At page 665 under "Salaries and Allowances Act 1975" the statement is made that "this amount provides for the salaries and allowances of 59 Members, the Clerk and Deputy Clerk of the Legislative Assembly". Perhaps it should be 57 members plus or 59 members including the others. I take it that it means "59 members including." At page 661 the same statement is made in relation to the Legislative Council. However, the numbers are not as clear because the Council does not have 37 members. If the statement was 34 members plus the Clerk and Deputy Clerk, the figure would still only be 36.

The SPEAKER: Although we do not normally deal with Council matters, I am told that there is a Clerk and two Deputy Clerks in the Council which means that the total is 34 plus three.

Mr KOBELKE: Will you, Mr Speaker, be applying to have an extra Deputy Clerk in the Assembly?

The CHAIRMAN (Mr Johnson): I wish to clarify a point. Mr Speaker, you have deferred a question from the member for Wanneroo to a later time. The question was relevant to this division; it is an item under parliamentary expenditure.

The SPEAKER: Can we deal with it when the Joint House Committee advisers appear? They can explain the detail.

The CHAIRMAN: I just wanted to point out that it does fall within this division. I have a question, and this is the first time I have taken the advantage this week: Have any funds been allocated in the budget, or does the Speaker have any plans to follow the example set by the other place where the Chairman of Committees has been given a staff member?

The SPEAKER: The short answer is no. However, should there be a need I would be open to an approach, and the matter could be considered.

The CHAIRMAN: Considering the many onerous duties the position holds both in this place and the other place, I am sure that you will give it careful consideration!

Mr KOBELKE: At page 666 an allocation for new works, equipment replacement, amounts to \$70 000. Is that a general item or will specific matters be covered by that amount?

Mr McHUGH: The \$70 000 will cover items such as computers, computer replacement - including a program to replace printers - and some minor works; for example, photocopying machines, replacement facsimiles and shredders. I think the figure is inadequate, in large measure. Treasury has indicated that it might be prepared to adjust the figure. However, we are still arguing with Treasury.

Mr KOBELKE: That allocation is not large, considering the needs of the Assembly. Will that allocation simply maintain the existing level of equipment and servicing, or will new initiatives be undertaken to capture, hold and process the proceedings in the Chamber using information technology?

Mr McHUGH: There are no proposals for the new system. This is simply to maintain the existing level, if that.

Mr RIPPER: Is any money required to expand access for television stations to televise proceedings in this Chamber? We have had some debate on this matter, and we would like to know whether any additional impact would be made on the budget if access by television stations was improved.

The SPEAKER: The question relates to Hansard, with whom these arrangements are made. Perhaps that question can be put aside until the Chief Hansard Reporter appears.

Mr RIPPER: I was intending to ask about staff for the Deputy Leader of the Opposition, following the precedent set by you, Mr Chairman, but I imagine that I will receive the same short answer.

The CHAIRMAN: I hope so!

The SPEAKER: Did the member ask the Premier the same question when his department was being questioned? That is a question for him!

[9.20 am]

Mr RIPPER: What does a sitting week cost? Is there a cost for each extra week that Parliament sits?

The SPEAKER: That detail is not available at the moment. However, I undertake to ask staff to produce figures on what it costs for an extra week's sitting.

Mr RIPPER: I am interested in what the marginal additional cost of sitting an extra week is. I do not want staff to be involved in a lot of research. I imagine there are overtime bills, for example. A rough estimate would suit me.

The SPEAKER: We will do a little homework on that for the member. There would be overtime and printing costs.

Mr RIPPER: I am trying to determine whether it is a significant extra cost.

The SPEAKER: I do not know whether we would call it significant. We will provide that by supplementary information.

Mrs ROBERTS: I was told I would be given an explanation of the increased staff as we reached each section.

Mr PACECCA: Vacancies occur during the year. If Parliament is in recess, we may delay filling the positions. Sometimes we genuinely cannot fill the positions. We incur a saving of a dollar value which the Treasury then calculates as equivalent to an FTE. However, there has been no increase in FTEs.

Mr MacLEAN: What was the cost of the damage to the pumping station for the fountains? What procedures will be put in place to avoid that occurring again? From where will the money come?

The SPEAKER: Damage occurred to the pumping station during the big rally on 29 April. Mr Pacecca was asked to investigate the matter and take action to fix it.

Mr PACECCA: Are you referring to the damage caused on the day of the rally?

Mr MacLEAN: Yes.

Mr PACECCA: The electrical machinery room under the fountains, which operates the security lights around the driveway and car park, the fountain motors, and lights, was broken into. Glass louvres were broken to gain access to it and damage was caused to the electrical board. I have not had the final account for the damage, but the estimate from the electrical contractors is \$3 000 to \$3 500.

The member for Wanneroo asks how we will prevent that from recurring. As it is at the moment, it is fairly secure. The glass louvres to the room are for ventilation. We will look at it and if we believe it is a high risk area, we will implement other measures.

Mrs ROBERTS: Does Mr Pacecca have any evidence that the damage occurred at the rally?

Mr PACECCA: We discovered the damage at six o'clock when the driveway lights were due to come on; therefore, it happened that afternoon. I was led to believe that at approximately 2.00 pm there was no evidence of broken glass. The breakage was obvious when we had a look. It happened during that period.

Mrs ROBERTS: Probably after the rally?

Mr PACECCA: Yes. The police were called in; forensic officers took some fingerprints as a matter of record.

Mr RIPPER: It is universally acknowledged by everyone who works in this building that the standard of facilities is poor and in urgent need of improvement. What process might be followed to secure an improvement in this building's facilities?

The SPEAKER: Following the amendment to the Address-in-Reply, which gave me some encouragement, two days ago I was in Sydney with the Clerk. We were given an extensive briefing on things the New South Wales Parliament did with its upgrading and we had discussions with a range of people. One of the problems in the past has been that we have two independent Houses and two Presiding Officers. We must work hard to ensure the Presiding Officers are properly briefed on things that occur in this place so they can discuss the matters and, it is hoped, agree on the procedure to be adopted. When they disagree at times, there can be difficulties. We have observed that when improvements, albeit minor improvements, have been made at one end of the House and different improvements made at the other.

I have a plan to address that situation. We must wait until we have a new President. The President, the Speaker and the Clerks need to develop a process which allows all matters to be considered so they are not considered in isolation. For major improvements we must make a thorough assessment of what the two Houses need and what facilities members need. The New South Wales visit was interesting in that regard. That Parliament did the best it could to plan ahead. It got it fairly right for about 10 years into the future, but problems have emerged. In order to develop such a plan a process must be put in place that involves both the staff and members and allows them to have an input. That is the general direction I want to head in. It will mean that we will have to wait until we have a new President. Discussions must be held between the two Presiding Officers and then a plan adopted.

Mr RIPPER: Is there any money in this budget for improvements or, alternatively, to support a planning process such as the one you outlined?

The SPEAKER: There is no specific allocation, but there is enough flexibility in the budget for what would be reasonably moderate expenditure to put a process in place. If we were to have a budgetary problem, I assure the member it would be a challenge to my initiative and, it is hoped, to the initiative of the new President. I do not envisage it would cost a lot of money to do background research. In a way I am grateful we have not been given megadollars and told the process must happen straightaway. A lot of planning must be done and thought given to what needs to be done and what can be done in the existing Parliament and to the flexibility we have.

Members are asking me why the Parliament is arranged as it is and whether it can be reviewed. It can and will be. Ultimately, the existing building is not big enough to provide all the facilities that are needed. For example, the core facilities - the members' and core staff offices - must be close to the Chambers. Perhaps some services can be relocated to another building. A lot of homework must be done. I take it as my responsibility to do the best I can to ensure that the homework is done and that we at least put forward proposals that will functionally enhance the operation of this Parliament.

[9.30 am]

Mr KOBELKE: Page 668 shows a substantial increase in the budget for parliamentary support services that cannot be accounted for by the three additional staff - it is a 13 per cent or 14 per cent increase in one financial year. What

is the reason for that large increase? Conversely, the capital allocation is about one-third of the allocation for this financial year. Clearly, major work has been undertaken this year. What is the explanation of that reduction and for what will the \$500 000 capital services allocation be used?

Mr CONROY: Incorporated in the \$469 000 is the air-conditioning of offices, which will cost \$200 000, and the toilets will be upgraded at a cost of \$126 000. There are also some minor items, including work on the state crest.

Mr KOBELKE: What work is that?

Mr PACECCA: The crest on top of the building is currently held in place with chicken wire; it is beyond repair. We have received an allocation to have it replaced. That allocation is an estimate by the Department of Contract and Management Services.

Mr KOBELKE: Will there be a call for expressions of interest for a work of art to be designed, or will the existing crest be remodelled?

Mr PACECCA: Nothing has been done as yet. As the member will know, the budget was only recently confirmed. There is scope for people within the community to express an interest.

The SPEAKER: The budget allocation will allow us to look at doing something, but the matter has not been decided.

Mr KOBELKE: What is the explanation for the substantial increase in the allocation for parliamentary support services?

Mrs ROBERTS: It relates to the FTEs. The previous explanation was satisfactory, but the dollar value has increased by about 13 per cent or 14 per cent, which appears to indicate further explanation is required.

Mr CONROY: The FTEs mentioned are incorrect.

Mrs ROBERTS: We understand that, but we would like an explanation for the increase from \$3.7m to \$4.2m. Presumably filling the three positions that have remained unfilled will not cost \$500 000.

Mr CONROY: This is in conjunction with recurrent expenditure, and that incorporates salaries and other expenditure. We have discussed the salaries. However, there is also an increase of \$414 000 in other operating costs. The major component of that increase is an allocation for building maintenance adjustment of \$307 000. Various smaller items were revised to meet existing levels of staff costs. That involves an allocation of \$23 000. The communications allocation is \$61 000. A government target reduction in 1996-97 will not occur in 1997-98, so we have an additional \$74 000. That brings the figures into line.

The SPEAKER: The matter was discussed in the Joint House Committee and an adjustment was made between recurrent and capital expenditure. Too much money was put on one side and Treasury agreed to a switch.

Mr PACECCA: The general maintenance of the building was allocated to capital works, when it should have been a recurrent cost. It has been transferred this year.

Mrs ROBERTS: That is the explanation we were seeking.

[9.40 am]

Division 3: Parliamentary Commissioner for Administrative Investigations, \$2 154 000 -

[Mr Johnson, Chairman.]

[Mr Strickland, Speaker of the Legislative Assembly.]

[Mr M. Allen, Parliamentary Commissioner for Administrative Investigations.]

[Mr A. Errington, Deputy Parliamentary Commissioner.]

Mr RIPPER: What number of complaints are as yet unresolved?

Mr ALLEN: I am pleased to say that in the last six months we have managed to make a very sizeable inroad into the number of cases on hand. The level of cases is now the lowest it has been since 1993, or at least on the last figures I have seen. We have put a lot of effort into getting rid of the very old cases, those which are over three months old, and some of which are well over 18 months old. We have managed to cut them back very substantially. The number of cases over three months old that are presently on hand is 342, which compares to 652 as at September last year or 554 as at June last year. Therefore, we have made a sizeable reduction there. The total number of cases on hand was 820 at the end of April compared to 1 186 at the end of September of last year. We have reduced the total

overall and made inroads into the older cases that are over three months old. That has had the effect that, if we calculated the average age of cases when they were finished - I do not have the numbers for that - I expect it will have increased because we have been finishing up older cases which are by definition harder.

We are keeping up our record of getting rid of new cases quickly and at the same time getting rid of the old cases, which in the past have been a real bugbear for the office, complainants and departments which were being asked to deal with matters that were many months and sometimes years old. I am able to say very happily that we are well on target for a sizeable reduction in numbers.

Mrs ROBERTS: The telecommunications intercept audit function is listed on page 683. I note that there has been an increase in the number of FTEs and also a very substantial increase in the estimated dollars to be spent on recurrent funding. Could I have some explanation of that? Will the funding and staffing levels be sufficient to fulfill the obligations under the Telecommunications (Interception) Western Australia Act?

Mr ALLEN: The program is new. The legislation was passed last year and has been proclaimed. The police are presently getting themselves ready to commence telephone intercepts; that has not yet happened. We are working closely with the police and looking at what they are doing when putting systems in place. They are expected to commence intercepts within the next few weeks. They expect to have done a few by 30 June. By that time we will be ready to monitor what they are doing and to make the first report that we are obliged to make to the Minister before the end of September of this year. The allocations in these papers were basically set-up costs for the current year. We have been doing that. The allocations for 1997-98 are for the up and running program. I am satisfied they will be adequate.

Mrs ROBERTS: How many complaints on police matters have been made in the course of the year to date?

Mr ALLEN: I do not have those figures with me. I can certainly provide them on a supplementary basis.

The SPEAKER: Mr Chairman, that is supplementary information.

Mr RIPPER: I understand that a number of agencies are still outside the jurisdiction of the Parliamentary Commissioner. Is he currently pursuing that matter?

Mr ALLEN: The situation has changed since last year. The Parliamentary Commissioner Act was amended at the end of last year with effect from the middle of November. The effect of those amendments was to change quite drastically the way that jurisdiction was defined. Whereas in the past, jurisdiction was over only those agencies which were named in the Act; the position now is that all agencies are covered, except those which are expressly excluded. The number that are excluded is very small and quite normal. It certainly does not cause me any problem. It covers things like the Parliament, the courts and the Director of Public Prosecutions. What was seen in the past as being a jurisdictional problem, at least so far as we can judge with six months' experience, is no longer a problem.

Mr RIPPER: Has that resulted in an increase in complaints?

Mr ALLEN: No, it has not; at least not yet. It is a bit difficult to draw conclusions because although our jurisdiction has changed and therefore potentially more complaints could come in, at the same time we have a number of other agencies getting up and running to deal with complaints, like the Office of Health Review, the Office of Water Regulation, the Public Sector Standards Commission and the Anti-Corruption Commission. A number of complaints in those areas are clearly being diverted. We are recommending to people who approach us to take their problems to one of those specialist agencies. At the end of April the number of complaints was slightly down from the previous year. We think that is mostly attributable to those new agencies. We have not seen an increase in complaints because of the change to the jurisdiction.

Mr KOBELKE: There is clearly a need to establish relationships with these other agencies where there may be jurisdictional boundary issues. In a limited number of instances there are also legislative requirements, such as those with the Anti-Corruption Commission. Are arrangements in place with all of those agencies? If so, are arrangements simply at an administrative level for handling matters that may fall into the area between responsibilities? If not, are they being developed? Are there any recommendations for legislation?

[9.50 am]

Mr ALLEN: Arrangements are in place at an administrative level and they seem to be working satisfactorily. We have a legislative requirement to notify the Anti-Corruption Commission of some matters and that is happening in a slightly more formal way, but the legislation seems perfectly adequate for our purposes. At an administrative level there is frequent contact, particularly with the Anti-Corruption Commission - exchanging information and sometimes with a case there is a lot of moving backwards and forwards. This morning I have a meeting with the Anti-Corruption

Commission and the Commissioner of Police to follow up some of these matters. So far, they are working perfectly adequately.

Mrs ROBERTS: I understand the Parliamentary Commissioner for Administrative Investigations has the power to take control of investigations of complaints against police. Have there been instances of that this year, and if so, how many?

Mr ALLEN: The situation is not quite as the member described it. The Parliamentary Commissioner Act states that when a complaint is received about police conduct the Parliamentary Commissioner must not investigate it for 42 days while the Commissioner of Police has the opportunity to conduct his own investigation. At the expiration of that time, or such longer time as is agreed, the Parliamentary Commissioner can commence an investigation. That is normally what happens - the matter goes to the police, they conduct their own investigation, it comes back to my office and then there may or may not be an investigation. By arrangement between my office and the Commissioner of Police there are certain types of matters that do not go through that process, particularly if the complaint is about the conduct of a very senior police officer, usually assistant commissioner or above, or a senior officer, superintendent or above, within the internal investigations unit of the police. In those cases, by agreement with the police, we conduct the first primary investigation and the 42 day period does not apply. There have been probably two or three of these investigations in the last year.

Mrs ROBERTS: Have those investigations been completed?

Mr ALLEN: To my knowledge a couple of the investigations are still under way.

Mr RIPPER: Has the Parliamentary Commissioner noticed any trend in the nature of the complaints which have been made? For example, is there a trend towards particular complaints being made against agencies, an upsurge of complaints from particular agencies, or a marked improvement in certain areas?

Mr ALLEN: I have not been in the job long enough to answer the question. I have been in the job for almost six months. My understanding is that in the current year there has not been any change in the nature of complaints. I cannot say very much in answer to the member's question. The usual high performers still feature. Police still account for approximately half of all complaints, prisons account for 20 per cent and Homeswest is still a large performer. With Homeswest we have observed a significant improvement in the way complaints are handled internally by that department. To that extent, while we are still receiving a lot of complaints, Homeswest has very good systems in place to deal with complaints internally.

Mr RIPPER: I suppose the key issue is the proportion of complaints upheld by the Parliamentary Commissioner.

Mr ALLEN: Yes, and that proportion has not changed much. In the last couple of years the percentage of matters investigated which have resulted in a totally or partially favourable outcome for the complainant is running at between 23 and 25 per cent. I am referring to the matters which are investigated and not the number of complaints received. The percentage is about the same.

Mr RIPPER: What is the procedure for dealing with verbal complaints?

Mr ALLEN: The law has not changed. It still requires that a complaint must be in writing and signed by the person concerned. That provision was not altered when the legislation was amended. When a person phones with a complaint we do all we can to assist the person to put the complaint in writing. We help him fill in the form or fill in the form for him and send it to him for signature. What has changed is the way we can deal with complaints. The law now says that we can investigate informally. I am encouraging my staff to try to resolve as many complaints as possible as quickly and informally as they can. Quite often that means they talk to the agency and the complainant on the phone, and that cuts down on the amount of correspondence that has often in the past slowed down the process. The aim is to get an outcome for the complainant as quickly as possible and at the same time reduce the bureaucratic problems within the agencies and free up our resources. We are using the telephone more to deal with matters, but we still have the overriding problem of complaints having to be in writing.

Mr RIPPER: I believe there is a problem with the complaint system within the Education Department. Under regulation 135 of the Education Act if a parent wants to make a complaint against a teacher a copy of the written complaint is forwarded to the teacher for his or her comments. This has resulted in parents being sued for defamation by the teacher. Is the Parliamentary Commissioner dealing with complaints under the Education Department and is it a better way for parents to have their complaints dealt with rather than taking action under the Education Act where they run the risk of facing legal action from the teacher concerned?

Mr ALLEN: We deal with a number of complaints involving the Education Department. In the situation the member described one must find a balance between, on the one hand, investigating the matter effectively and, on the other

hand, giving the teacher who might be complained about some kind of procedural fairness and an opportunity to respond to the allegations which have been made. Sometimes it is possible to at least commence looking at the problem before one goes to the Education Department or the teacher concerned, but before the matter can be finalised one must hear the other side of the story. If that can be done without identifying the complainant, that is fine, but usually it is not possible to do that. At some point in the process the person complained about, whether it is a teacher or any other public servant, will need to be informed of what is the allegation to give him a fair chance to respond. There is a dilemma and I regret to say that it will always exist.

[10.00 am]

Mr RIPPER: Does your Act provide legal protection for people making complaints against actions of the Education Department?

Mr ALLEN: Since last year, our Act now has some, it would be fair to say fairly rudimentary, provisions about protecting people who make allegations to us, certainly in terms of their being victimised, harassed or somehow harmed as a result of complaining. I doubt it would extend as far as saying that the person who complains cannot be sued by the person who has been complained about. It would not go that far. That is a different kind of problem that would have to be dealt with in a different way.

Division 47: Department of Productivity and Labour Relations, \$7 327 000 -

[Mr Johnson, Chairman.]

[Mr Kierath, Minister for Labour Relations.]

[Mr J. Lloyd, Chief Executive Officer.]

[Mr E.M. MacNeall, Manager, Finance and Administration.]

[Mr R.G. Cooper, Commissioner of Workplace Agreements.]

[Mr A.A. Scott, Assistant Commissioner of Workplace Agreements.]

[Mr J. Carrigg, Chief Executive Officer, WA Industrial Relations Commission.]

[Mr A. Watt, Director, Corporate Services, WA Industrial Relations Commission.]

[Mr P. Shaw, Executive Director, WorkSafe WA.]

[Mr B. Dellar, Director, Corporate Services, WorkSafe WA.]

Mr KOBELKE: The figure for the number of FTEs referred to in the Budget Statements for 1997-98 is 104 on page 786 and 105 on page 787. What is the reason for that?

Mr LLOYD: We do not have any reason for that. It must be an error in the publishing.

Mr KOBELKE: It is that or sometimes the FTE goes out to another agency.

Mr LLOYD: There is no plan like that. The plan is to have a fairly stable FTE number throughout the year. We do not have plans to move one out or transfer anybody in at this stage.

Mr KOBELKE: Under which item in this Budget will the money be found for the advertising campaign for the Government's industrial relations legislation?

Mr KIERATH: The industrial relations campaign at the moment will probably be an additional item.

Mr KOBELKE: There is no money in the Budget currently for that?

Mr KIERATH: There are some advertising and promotional moneys in there as a normal routine. However, the current campaign will probably be an additional item. That is being discussed with the Premier. He indicated the other day that he imagines it will be over and above the normal course of business.

Mr KOBELKE: Is there money in the Budget for phase 1 of the public relations advertising campaign?

Mr KIERATH: What do you mean by "phase 1"?

Mr KOBELKE: That was your term when answering a question on notice. You said that phase 1, which had been running for some time, would cost \$134 000.

Mr KIERATH: We have already done that. That was out of last year's budget for promotion and advertising.

Mr KOBELKE: What was the completion date for phase 1 of that campaign, or is it still in phase 1?

Mr KIERATH: It will be in phase 1 for the rest of this financial year until approval is given for phase 2 or the next stage. Until that occurs it comes from the existing budget.

[10.10 am]

Mr KOBELKE: Will the Minister indicate the current intention with regard to the number of phases for advertising the industrial relations legislation and the approximate times of those phases?

Mr KIERATH: No, I cannot because they are being decided at the moment.

Mr KOBELKE: Can the Minister indicate the total budget?

Mr KIERATH: No, other than what the Premier said. His usual feeling about campaigns of this type is to allow a budget of \$300 000, but nothing more concrete has been determined at this stage.

Mr KOBELKE: What period was covered by the expenditure of \$134 000 for the campaign that has been running?

Mr LLOYD: I do not have a precise date. That figure was calculated two or three weeks ago.

Mr KIERATH: The figures were done on the day the question was asked.

Mr KOBELKE: With advertising campaigns it depends on whether the amount is an estimate of the overall cost or represents the accounts presented and paid to that date. What is the estimated figure for phase 1 of the campaign prior to the passage of that legislation? If the cut-off date is 30 June this year, what is the general thrust of the advertising in that period and what is the cost for that phase?

Mr KIERATH: The amount provided was the total cost of all adverts up to the date the question was asked.

Mr KOBELKE: Was it the accounts paid to that date?

Mr KIERATH: No. That is what we believed the actual cost was and it did not relate to the accounts paid. Obviously, we have a good idea of the production and advertising costs involved. Advertising costs are well defined and can be accurately predicted. A placement agency does that for the whole of government. The answer to the question provided the actual cost and not just the number of invoices that had been paid. Unfortunately, I do not have the question in front of me. If the member wants to know the cost to date, I suggest he put a question on notice.

Mr KOBELKE: The Minister has given some explanation. He indicated that in the current year an amount for advertising had been drawn for phase 1. What amount is in the budget papers for advertising and public relations?

Mr LLOYD: The actual amount spent this year on advertising is \$195 897.

Mr KOBELKE: Under which item is it listed?

Mr LLOYD: It comes under the recurrent expenditure for the fair workplaces program at page 793.

Mr KOBELKE: What is the allocation for that same item in 1997-98?

Mr LLOYD: The figure for 1997-98 is \$164 000.

Mr KOBELKE: Is that \$164 000 the total allocation or are there allocations under other items in the DOPLAR budget?

Mr LLOYD: There are smaller items under other parts, for example advertising for staff which normally costs between \$2 000 and \$3 000 a year. The other amounts are all fairly small. The main promotional budget is for the fair workplaces program.

Mr KIERATH: About half of the \$193 000 is used for general advertising of services, football promotion, television and agency costs. Only \$105 000 was used in television, press and agency fees, and the rest is associated costs.

Mr KOBELKE: I can find no mention of the Minister's building and construction industry task force. I understand that Contract and Management Services has an item but, as it comes under the Minister's control, is there a budget for it within his department?

Mr KIERATH: This is one of the big furrphies circulating. It is under the control of the Minister for Works. There is a dual reporting mechanism in that the task force reports to the Minister for Works and the Minister for Labour Relations, but only because an industrial inspector was transferred from DOPLAR to the task force. Any money and administrative programs come under the Minister for Works.

Mr KOBELKE: Are personnel from DOPLAR on loan to the task force?

Mr KIERATH: One officer has been seconded across.

Mr KOBELKE: The actual responsibility for wages and overheads is not met from the DOPLAR budget?

Mr KIERATH: No.

Mr KOBELKE: How is the requirement under the Financial Administration and Audit Act met for another agency to report to the Minister when it is not covered by his department?

Mr KIERATH: There is no financial reporting to me whatsoever.

Mr KOBELKE: In answers to questions on notice there is a clear indication that the Minister controls the task force.

Mr KIERATH: No I do not.

Mr KOBELKE: Does the task force read the Minister's mind and know what to do?

Mr KIERATH: No, it is an interesting situation. The task force is under the control of the Minister for Works. It reports its activities to the Minister for Works, and also reports to the Minister for Labour Relations on general activities. The direction and control is not through me, despite some people pointing in that way. The task force reports to the Minister for Works, who is fully responsible under the FAAA.

Mr KOBELKE: An increase in the number of FTEs is indicated at page 90 for labour relations services. Will the Minister explain the reason for the increase of four FTEs?

Mr LLOYD: A change has been made to the program structure of the department and the functions of different programs. That involved a transfer of staff from what is now known as legislative policy to labour relations services. The increase reflects that.

Mr KOBELKE: Is it a change of administrative structure?

Mr LLOYD: Yes.

Mr KOBELKE: On the same page it is indicated that the allocation for recurrent services will increase from \$1.8m to \$2.1m - a 15 per cent increase. What is the reason for such a large increase in one year, which exceeds the increase required for the additional FTEs?

Mr LLOYD: That figure comprises salaries for four FTEs, amounting to \$232 000. An increase occurred in the corporate development support to that program. Corporate support services are allocated on a pro rata basis, and that accounts for \$104 000 which led to the increase.

[10.20 am]

Mr BROWN: Are any funds allocated to broad research on industrial relations issues?

Mr LLOYD: Yes, money in the policy legislation program is directed to research on labour relations issues. All areas are involved in a little research, but the main research activity is focused in the policy and legislation area.

Mr BROWN: Do you intend to carry out any research in relation to the effects of a deregulated labour market? The federal Treasurer recently was reported as saying that Australia should go down the United States and United Kingdom routes with increasing use of individual contracts. The Minister will be aware that in the US around 90 per cent of employees are covered by individual contracts, and an increasing number of US workers are paid the minimum wage. Also, an increasing percentage of the US work force over the past 10 years has received a wage below the poverty line. Is any research being conducted into the spread of individual agreements in this State and the fact a number of agreements are registered on the minimum wage or below it?

Mr KIERATH: I will take the policy issue and Mr Lloyd can provide detail. The federal Treasurer has the right to say what he thinks, but we think that our state legislation is superior to the federal legislation. We have only two more Bills planned in industrial relations and we think our reforms are basically finished. We are working cooperatively with the TLC - it has agreed - on legislation associated with the Fielding report. The only other area for attention is the building construction industry. Although Mr Costello might say what he would like people to do, the opportunities he outlined already exist here through individual workplace agreements and we do not intend to extend that further.

Mr LLOYD: We have not got any specific research project under way on the issue the member raised.

Mr BROWN: I am extremely concerned about our legislation pursuing the United States route with 90 per cent of workers bargaining individually. They have no bargaining power. Consequentially, many millions of US workers are paid the minimum wage, leading to increasing levels of poverty, social dislocation, crime and all such factors. I do not know who makes the decision on these matters - presumably it is the Minister - but that research would be in the interests of stronger community, families, the next generation and intergenerational equity. It is important to carry out research on such a key issue. I instance the appallingly low wages paid in a range of other countries with no effective regulation of the labour markets. I can only take it in a policy sense that no research is being conducted because nobody gives a cuss about it.

Mr KIERATH: That is not true. The member for Bassendean has a point of view - he did not ask a question - but this is Australia, not the US. We have our system in place. I will not go through all its elements, but we have a Minimum Conditions of Employment Act and a safety net, which the US does not have.

Mr BROWN: The US has a minimum wage.

Mr KIERATH: There are some minimums but it is quite a different system. In our system, unless one volunteers to go out to the individual arrangements -

Mr BROWN: It is not true. New employees are told to sign the document or they do not get the job.

Mr KIERATH: That is not true. The compulsory system of arbitration is still in place and those people who do not want to go into any form of individual agreement stay under the ambit of the Industrial Relations Commission.

Mr BROWN: This not true. Ask your Workplace Commissioner; he is behind you! If someone fronts up to a job, he or she is told, "This is the rate - it's the minimum wage." If the prospective workers ask for the award, they are told -

Mr KIERATH: The member was obviously not listening to what I was saying - he is back on a point I made about four sentences ago. When you interrupted me, I referred to people already in the work force being covered by existing awards.

Mr BROWN: Some protection is provided to existing employees, but a massive turnover occurs in Australia. Workplace agreements are now being registered with wages below the minimum wage - they do not apply, but they are registered in that form.

Mr KIERATH: I suggest you ask a question when we get to the commissioner.

Mr BROWN: We have seen the latest research from the Commissioner of Workplace Agreements, and a fairly intelligent year five student could produce a better report than that!

Mr KIERATH: That is your opinion. Getting back to the research, other indicators tell us the average wage and about increases in take-home pay in this State. We monitor those. As I have said many times, we are pleased with the progress, with WA having some of the biggest increases of any State.

Mr BROWN: The mining industry has been driving the average up and the service industry is driving it down.

Mr KIERATH: We take credit for the whole of industry in WA.

Mr BROWN: If the Minister were honest about it, he would have concern for service workers; that is where the jobs will be in the future. Mining is a very important industry for Western Australia, but job generation is occurring in the tourism and service industries, where competitive forces are reducing wages. Look at the school cleaning contracts.

The Minister and the Minister for Education refuse to answer questions about whether people employed by contract to clean schools are paid less than payments made when cleaners were employed by the Government. I know the Ministers do a Pontius Pilate and say, "We don't know - we cannot ask, and we don't care."

Mr KIERATH: The member misunderstands the system. I cannot answer on behalf of private companies unless they volunteer the information.

Mr BROWN: It is a neat way of sidestepping the issue. However, this session has confirmed that no research is being done on this issue. Therefore, the Government's priorities indicate that it does not care about this matter, as is nakedly shown by this Estimates Committee.

Mr KIERATH: No.

Mr BROWN: You confirmed this matter.

Mr KIERATH: I did not.

Mr BROWN: The Minister intends to spend hundreds of thousand of dollars on propaganda for his legislation, yet he will not carry out research, and has no intention to do so, on how the issue affects ordinary workers and families.

Mr KIERATH: Again the member is not listening. I said that a number of performance indicators monitor wage increases and levels of take-home pay. Of course, we take that into account. Those indicators show that this State is doing better in those areas than virtually every other State in the country. In those circumstances, we are getting the best results. It is for the other States to worry about why they are falling behind. If those indicators started to show alarming trends, of course, we would put in resources to find out why that was happening. Currently, we are satisfied with, and happy about, the general trend with those indicators.

[10.20 am]

Mr BROWN: You are not happy to look behind the indicators to see who is suffering as a result of this. We know that people who work on the big projects up north are paid very well indeed. We have heard all the arguments about the North West Shelf and we know that people up there are paid very handsomely. That is fine, and I am happy for those people and those companies. However, I have a real concern about the battlers who come into my office - the cleaners, the service personnel, the process workers, and other blue and white collar workers who are semi skilled and low paid. Those people are doing it tough, yet the Minister says he wants to look only at the global figure.

Mr KIERATH: I thought you would know better.

Mr BROWN: Do not be patronising; just answer the question.

Mr KIERATH: I did not use the words "global figure"; you did. The information that is provided by agencies such as the Australian Bureau of Statistics is broken down into all the compartments. One thing that DOPLAR has done is liaise with the federal agencies to get the information in a different form, because some of the information that they were providing was not practical. The information from the federal Department of Industrial Relations about people working under enterprise agreements, individual agreements and awards was unsatisfactory, and we liaised with that department to get it to change the way it keeps the records, because its records were virtually useless. It has now agreed to use a different form of records that will be more meaningful to report -

Mr BROWN: It has now agreed to use your records, so we cannot get any independence in it at all! It is getting worse by the minute!

Mr KIERATH: I said it changed its methodology to provide information that would be useful to those who want it. I thought even you would encourage information, even if it was information you did not like. Some of us in this world want the information warts and all, and that is what we have tried to do. We have got an improvement from federal DIR with the information it provides, and equally we have had some discussions at various times with the Australian Bureau of Statistics about the figures it keeps. It has agreed to make some changes to its figures on gross state productivity, so we can now monitor productivity per hour worked and what is happening in a global sense, and also much of the information that is provided is more specific in nature and is targeted at industries and a range of issues.

Mr BROWN: I am interested to hear the Minister say that, because when I asked him whether under registered workplace agreements people's earnings would be more or less than they would be under the award, he would not tell me.

Mr KIERATH: We can answer that when we get to the Commissioner of Workplace Agreements.

Mr BROWN: I am asking about whether we will measure wages trends. When I asked the Minister how many workplace agreements had been registered that provided for wages below the minimum wage, the Minister would not tell me. If the Minister were so concerned about producing the warts and all information, he would have demonstrated it by now; but when I asked him questions in this Parliament, he demonstrated the reverse.

Mr KIERATH: That illustrates the member's misunderstanding, because it is not the responsibility of the Commissioner of Workplace Agreements to collect that information. We are talking here about indicators such as those provided by the ABS. The ABS uses a system of surveying rather than collating other information, and it has been doing that for a long time. I understand that it intends to survey people under individual agreements, enterprise agreements and awards.

Mr KOBELKE: That was an useful discussion, because it illustrated clearly that the Minister wishes to gather only those figures which suit his purpose.

Mr KIERATH: I have no control over the ABS; you know that. It provides the information.

Mr KOBELKE: The Minister indicated in his answer to the member for Bassendean that there is no program within this Budget to ensure that studies are undertaken and figures are put together to give a full and accurate picture. The Minister's use of statistics is akin to how a drunk uses a lamppost: He leans on it for support, not illumination. That is clearly what the Minister is about here. He does not want to illuminate the facts of the matter; he grabs statistics and uses them in whatever deceptive way he wishes in order to make his point.

Page 788 contains two statements which indicate that the intention is clearly to reduce and hold down wages: "Generate wages policy which limits wage cost growth"; and "Wage pressures pose a threat to sustained economic growth."

Mr KIERATH: What a load of rubbish! It says costs. That again shows, unfortunately, your misunderstanding of the issue.

Mr KOBELKE: Do any of the significant issues and trends seek to ensure that wages are increased so that ordinary working men and women can maintain a reasonable standard of living?

Mr KIERATH: Obviously they do. If we were to listen to predictions, you predicted four years ago that wages in this State would be cut by 25 per cent. Not only has that not happened, but also this State has had the highest wages growth of virtually every other State in the country. Those are the facts whether the member likes them or not.

Mr KOBELKE: Does any item in these budget papers relate to maintaining standards of living through wages and conditions?

Mr KIERATH: Our whole industrial relations policy and strategy is to lift wages through increased productivity. If we were to do it through increased productivity, we would actually lower the cost of labour. That does not mean that we would lower wages. We would lower the unit cost of that labour by increasing productivity. That would mean that higher wages and conditions could be paid for the same unit cost. That is what we are talking about. Our big emphasis has been on productivity. Last year, we launched a program called Productivity WA 2000, which is the key plank of these policies.

Mr KOBELKE: Where is it mentioned here?

Mr KIERATH: It was launched last year. You were given a copy of it. If you chose not to read it or put it in the bin, that is your problem.

Mr KOBELKE: The Minister has answered my question by avoiding it. There is nothing in these budget papers -

Mr KIERATH: In Productivity WA 2000 we set a goal for Western Australia to have the highest standard of living in the world by the year 2000. I thought even the Labor Party would support that; I thought everybody would support that as a common goal. In setting our target, we looked at what we had achieved in the past five years in increasing productivity and we projected that to the year 2000. That would give us an increase in productivity of around 15 per cent. However, that would not be enough to take us to the highest standard of living in the world. We require about a 20 per cent increase in productivity - an additional 5 per cent to what we have been achieving. If we could do that, people who live and work in Western Australia would have the highest standard of living in the world.

That is a worthwhile target to set. Therefore, our policies are designed to find programs and initiatives that will deliver an additional 5 per cent over that period. Productivity WA 2000 brings in a lot of different agencies - the Department of Productivity and Labour Relations, the Industrial Relations Commission, WorkSafe - and the policy document was a combined policy document of all those agencies, and that is the time framework in which these other policies were developed.

[10.40 am]

Mr KOBELKE: It does not get even a single line in the budget papers. Will the Minister provide statistics on the Wageline service to indicate the length of time that people must wait, and the level of satisfaction they receive through Wageline?

Mr LLOYD: We have some figures on calls received. We average 135 000 calls a year, and 89 per cent of those calls are answered. About 11 per cent of callers do not get through, and drop off. We are concerned about that. Funds have been allocated to upgrade the telephone system, so we can provide a more sophisticated telephone service. A 1300 number will improve communications from regional country areas. We are concerned that a small number of calls are not answered, and we are taking steps to rectify that.

Mr KOBELKE: Is the delay due to a reduction in the staff allocation or increased demand?

Mr LLOYD: It is the number of calls that are coming in; there has been no reduction in staff. About 500 000 calls are anticipated for this coming year. The demand for the service comes from both employers and employees. We are trying to move as best we can, and we will improve our capacity in the coming year.

Mr KOBELKE: Will the Minister provide supplementary information on the length of time that people must wait before they can get through? If 11 per cent of people do not hang on, they are having to wait far too long. I have received complaints of that nature.

Mr KIERATH: I do not know that we keep any information on that. I will have the department check it.

Mr KOBELKE: Is the Minister exempt from customer focus?

Mr KIERATH: If that information is available, I will provide it.

Sitting suspended from 10.42 to 10.58 am

Mr KOBELKE: The forward estimates for the following three years for the Department of Productivity and Labour Relations are shown on page 786. What is reflected here seems to be true across every division in the total Budget, so it is not specific to this department. My question clearly relates to the Minister's portfolio responsibility because as the Minister for Labour Relations he has a major say in the wages and salaries costs in the government sector. These forward estimates are predicated on continuing existing policies; that is, no major policy changes. We see an increase that is well below the inflation rate or the price deflator that is used. Where is an allowance made for salary and wage increases - that is, labour cost increases - within this department? I wonder whether the Minister can then expand that answer across the public sector generally.

Mr KIERATH: I do not think a new wages policy has been released yet. It is still the subject of some final discussions between my department and Treasury, although the global figures have been identified in the Budget under the Treasurer's accounts. Probably the best way to explain this is to reflect on the wages policy that has been in place for the past 18 months or two years. It may even give an indication of what it is likely to be in the future.

[11.00 am]

Previously the target wage increase was 7 per cent, of which 3.5 per cent was funded out of a pool of money called central funding as distinct from supplementary funding. The two are different. This is out of a pool of money identified in last year's budget papers in the order of \$60m.

If the outcome is a 7 per cent wage increase, half will be provided by central money and the other half will be provided by productivity increases. As that has been so successful, it is reasonable to assume a continuation of that, at least in the next year. What will happen thereafter I cannot say. I cannot give the final details of that, but I imagine it will be announced within the month. There is a pot of money in that central fund, I think under the Premier's control, to which there is access.

Mr KOBELKE: Are you indicating that these forward estimates do not take account of any increase in wages? Is that taken up in another part of the Budget?

Mr KIERATH: The wage increase component is identified in another part of the Budget, but the wage increase falls into two parts, half of it is a productivity increase; for example, by performing the same amount of work with fewer people. The other half is from a central fund. It is usually a pot of money identified in the Budget. I am sure there is one - I am not the Treasurer, but I recall approximately \$60m being available this financial year.

The agreements so far run until the end of this year and are due for renewal early next year. Whenever the policy is announced, the figures in the Budget will be required only for the latter half of this financial year, which will be early in the next calendar year. All the milestone payments were identified in the previous allocation.

Mr RIPPER: I think the Minister should check that budget allocation. Although the situation he explained was the case in previous Budgets, no global allocation is set aside for wage increases in this year's Budget. I know that because I sat through the relevant sections of the Budget. I also discussed in the Estimates Committee with the Education Minister provisions for wage increases for teachers. As Minister for Labour Relations he may find the lack of provision will cause him considerable work over the next year or so.

Mr KIERATH: Individual Ministers may not be aware of it, but a policy developed between Treasury and the Department of Productivity and Labour Relations will ultimately go to Cabinet for final approval. Nonetheless, it has been developed. An announcement will be made within four weeks. At that time, I will make sure the appropriate part of the Budget is identified.

I think a comment was made in the Budget Speech that identified the money. Previously we had a target of 7 per cent, I think over 18 months. We are setting target outcomes in the next round of wage negotiations. That announcement will be made within a month. I assure the committee that money was allocated in the Budget. If I do not get back to the member within the week, when the announcement is made I will make sure the amount is identified.

Mr RIPPER: I refer to the first point at page 788. What target wage increase limits form your policy for the next financial year and beyond?

Mr KIERATH: As I said, the projected outcome to be announced will be the target expected throughout the community, certainly in the public sector.

Mr RIPPER: I thought you were talking about the public sector. I am talking about the whole of the economy.

Mr KIERATH: The public sector sets a lead for the rest of the economy. In setting our target we have taken into account what we believe is happening in the economy. That policy is not far away from being publicly announced. I cannot provide the details now; I have had preliminary approval from the Treasurer and the Under Treasurer but I have not had final approval. It is only a matter of days or a week away from being finalised.

Mr RIPPER: If wages growth outside the public sector threatens to exceed your targets, what actions do you intend to take?

Mr KIERATH: It depends whether wages growth is accompanied by an increase in productivity. I indicated to either the member for Nollamara or the member for Bassendean earlier our desire to determine a state productivity measure per hour worked. The target will depend on whether the wage increase is accompanied by a productivity increase. A major feature of wages growth in this State has been an accompanying increase in productivity. It has not applied traditional pressures on interest rates or other avenues because it has a matching or superior increase in productivity.

We are not experiencing the bad features of wages growth which result from a centralised wage fixing system that is geared to cost of living increases rather than productivity increases. We released that policy last year because that link must continue. If we lose that, the situation to which the member for Belmont referred will occur.

Mr RIPPER: If that does not happen and wages growth threatens to exceed targets and the wage growth is not covered by productivity improvements, what actions are contemplated in your policy to deal with that?

Mr KIERATH: At the moment we expect wages growth to be slightly less than productivity increases over the past four years. We are confident no major adjustments will be needed as long as that relativity is maintained. We have no reason at this stage to believe otherwise. We are confident those figures will be matched as a result of the various changes that have been made to legislation that has placed a greater emphasis on the Industrial Relations Commission to seek productivity increases with the main focus being enterprise bargaining agreements which have some efficiency trade-offs or improvements. When we release our wages policy for the public sector it will incorporate all those components.

Mr RIPPER: Is that wages policy for the public sector or for Western Australia?

Mr KIERATH: It is for the public sector, but over the past two years it has also been a benchmark for the wages policy in the private sector.

[11.10 am]

Mr MacLEAN: At page 788 it is indicated that the Industrial Relations Commission will play a different role. What will that role be and what costs will be involved?

Mr KIERATH: This year I intend to introduce another industrial relations Bill, which will be based on Commissioner Fielding's recommendations. I have received in-principle agreement from the major parties - the employers, the Trades and Labor Council and government agencies - to cooperate in the drafting of that legislation. The Bill will embrace the current situation in the workplace. The commission is moving away from the role of decision maker, with an interventionist approach, to that of a facilitator. In other words, the commission will facilitate agreement between the parties. Traditionally it has had an arbitration role. Greater emphasis will now be placed on conciliation and facilitation.

Commissioner Fielding identified that need, and that was the major thrust of his report. I hope to introduce that legislation before the end of this calendar year. In principle, it has received wide support from most parties, so I do not expect it to be controversial. It will be all about the changing role of the IRC to allow it to facilitate various agreements between the parties rather than being an arbitrator.

Mr MacLEAN: How will that relate to the federal Industrial Relations Commission?

Mr KIERATH: It is difficult to quantify the effect. The changed role of the WAIRC will make the state system more attractive for employers, even under the traditional award and enterprise bargaining agreement systems. As I said, it will facilitate rather than arbitrate.

Mr KOBELKE: I return to the wages policy issue. Previously, Ministers had primary responsibility for wage issues with unions and staff, and brought those cases to an industrial relations committee - if that is what it is called. That created major problems. Will that process continue? If so, will any changes be made to that system, so that when Ministers negotiate with the workforce in the public sector they will speak with some authority, not give undertakings which cannot be upheld, because they could be rolled in the Industrial Relations Commission?

Mr KIERATH: That is the member's interpretation. Under the previous Government, a subcommittee operated. However, in many cases, if agreement could not be reached between the parties, the matter could not be referred to that subcommittee. Under our arrangements, the Minister and the department can make a case to the subcommittee, even without the approval of the Department of Productivity and Labour Relations. That is a new arrangement, and it brings with it some problems. Even if the department advises that a case could not succeed, Ministers still have a right to put a case. The challenge for them is to convince the subcommittee that they are right. Sometimes they succeed, sometimes they do not. I do not intend to make any change to that subcommittee because all participants - even the agencies that have not always agreed with certain decisions - acknowledge that the subcommittee has worked extremely well.

The only change will be to the procedure when a head of agreement is due for renegotiation. DOPLAR and the subcommittee will meet with the major 10 government agencies. They will inquire about strategies, and the issues to be included in the negotiation, so that prior to negotiation the parties will have some idea of government policy, their position, and what they hope to achieve. The first agency will come before the subcommittee in about six weeks, although the first agreement does not come up for negotiation until around January next year. I hope that by being more proactive we can prevent some of the problems that occurred in the past.

The Government produced policy guidelines for enterprise bargaining and workplace agreements. The only difficulty arises when agencies' proposals do not meet the constraints of those policies. We have tried to issue a policy and then allow agencies to have some independence. If they choose to develop a package which does not fit our policy, they must expect some problems. Despite any discussion or negotiation, an agreement is not final until it receives cabinet approval. Cabinet can overturn any submission, although I acknowledge that most submissions by the subcommittee have been approved by Cabinet.

Mr KOBELKE: When a subcommittee opposes a submission, does the matter still proceed to Cabinet?

Mr KIERATH: Yes. A recommendation goes to Cabinet, and the Minister has a second bite of the cherry. This is a subcommittee of Cabinet.

Mr KOBELKE: Who is on the subcommittee?

Mr KIERATH: The Premier, the Minister for Finance, and the Minister for Labour Relations.

Mr KOBELKE: Plus the Minister who brings the case?

Mr KIERATH: Yes. Those Ministers usually attend when they expect some difficulty. They have an idea about what is likely to receive agreement. Ministers usually attend when they think that the item to be debated has not received the support of the department. Ministers put their case. Sometimes they convince us, or we may find a compromise position which can meet the policy guidelines but still accommodate the Minister. Whatever the decision of the subcommittee, a matter can proceed by way of recommendation to Cabinet, but the Cabinet can overturn that recommendation.

Mr RIPPER: A significant issue and trend at page 788 relates to changes in the workplace such as job mobility, working hours, career aspirations, the interaction between work and leisure, and so on. Does anything in this Budget and the policies it supports address the casualisation of the work force? I understand that currently one in four Australian workers are now casuals; that is, 1.65 million people have no annual or sick leave, little training, and receive lower earnings than the full time work force. By definition, their employment is insecure and their income varies from week to week, as do their working hours. Does anything in this Budget address the situation of this very large group of Australians who have very little employment protection or security?

Mr KIERATH: I am not aware of anything that would suggest that the percentage of casual workers in the work force is too high. There are some difficulties for casual workers. Under the Minimum Conditions of Employment Act they receive a 15 per cent loading. It is a mixed bag. When I was Minister for Health we had difficulty employing full

time nurses in some major hospitals. Nurses were happy to work for agencies where they bought out all their conditions and received a cash rate. I understand currently more than 50 per cent of the nurses in this State work part time.

Part time income is predominantly supplementary income. In many cases the nurses would prefer to have the cash rather than the conditions. It is still a major problem in nursing in this State. Agency nursing is probably what the member would refer to as casualisation. That is the only area I have known that has highlighted any difficulties in the casualisation of the labour market in this State. When I was the Minister for Health I had discussions with the Australian Nursing Federation to develop a package so that nurses would not go fully to agency nursing but could get the cash equivalent of some of their wages and conditions as an alternative. However, I did not get far with that proposal.

[11.20 am]

Mr KOBELKE: I direct the Minister's attention to the workplace liaison service on page 794 of the Budget Statements. How much was allocated to the workplace liaison service in 1996-97? What is the allocation for 1997-98? What will be the FTEs in 1997-98 for that service?

Mr LLOYD: Five full time equivalents are allocated to workplace liaison offices. At the moment we have filled three of those positions. We are careful about whom we select because they are sensitive positions. We intend to fill the remaining two positions as soon as possible and have them operating throughout the next year. I do not have a separate figure for the workplace liaison officer service at the moment. I will provide that as supplementary information.

Mr KOBELKE: What is the salary level of the officers who will be employed as workplace liaison officers?

Mr LLOYD: I think they are level 5 or 6. They are mid-range in the administrative officer structure.

Mr KOBELKE: Will the service extend across the State, or will that be countenanced at a later stage?

Mr LLOYD: The officers are located in Perth. They may make the occasional visit to other areas. At this stage they are not doing that. We encourage officers who are located in provincial centres to take on that facilitative role of the workplace liaison officers and to do more of that type of work. However, we do not intend to locate any officers outside the metropolitan area. They will visit regional centres occasionally to help people deployed to those areas.

Mr KIERATH: The regional officers are jacks-of-all-trades; they carry out all the services. From memory, officers in Bunbury, Karratha and Geraldton have been keen to become involved in all roles, particularly in facilitation rather than enforcement. I am sure they would do the liaison work as well.

Mr KOBELKE: Will the duties of workplace liaison officers include checking on the pay and conditions of employees when they consult an organisation?

Mr KIERATH: I was asked a question about that and I apologised to a member for my answer. I initially thought that was the role of the liaison officers; however, the department said it is a duty they are not asked to undertake.

Mr KOBELKE: Would they simply turn a blind eye to examples of employees involved in organisations they are assisting who are not receiving wages and conditions that meet statutory requirements?

Mr KIERATH: No, they would not turn a blind eye to that, but they do not get themselves in a position to check time and wages records. If as officers they became aware of things happening in the workplace, I would expect them to report it to the appropriate section, but they would not address it themselves.

Mr LLOYD: If they became aware of an issue like that, I would expect them to advise the employer of his rights and obligations under the legislation, agreement or award and to report back. That would be the limit to what they would do. On occasion they might be invited to inspect the records of the employer and they might draw attention to any deficiency and what the employer should do. If they are invited to do so, of course they will do it. We find that most employers in those circumstances respond positively to anything that is drawn to their attention.

Mr BROWN: I am pleased the Minister advised the Committee that he misled the House about questions I asked him in the industrial relations legislation debate when he said the officers would check time and wages records.

Mr KIERATH: I did not mislead the House: I was firmly of that belief. People cannot mislead someone if they convey information that they believe strongly to be the facts. Once it was brought to my attention by the department, I apologised.

Mr BROWN: What does Mr Lloyd mean by his statement that these are sensitive positions?

Mr LLOYD: The positions involve an advisory and promotional role. They are sensitive in that they are different from the typical inspector position. Although we are trying to encourage inspectors to be facilitators as well as enforcers of the legislation and agreements and awards, this role contains extra dimensions. They are not attributes often found in the normal inspectors. We are looking for a different person. The officers must be sensitive. Their role is to sell the agreement streams - the importance of the agreements and the gains that can be made from agreements - and to improve the access of employers to agreements. It is an important and sensitive role to go into the workplace to represent and promote that.

Mr BROWN: Do they promote these agreements on the basis that they can lower the wages bill?

Mr LLOYD: No.

Mr BROWN: On what basis do they promote the agreements?

Mr LLOYD: They promote the agreements on the basis of the increasing focus on workplace relations and industrial relations at the workplace level. If employers are to get the best improvements in efficiency and productivity and a better work force, the agreement is an effective way of doing that. The officers advise employers on what the agreements entail and how they go about reaching an agreement.

Mr KIERATH: Often people are not aware of all the options that are available to them. It is the role of those officers to provide that information. However, it was found that when people have a mixture of roles, there is often confusion. It is better to have a separate category of people who are aware of all the options and who can explain to employers what options they have and how to access them.

Mr BROWN: Do they promote one option over another?

Mr KIERATH: I am not aware of that. They promote all the options.

Mr BROWN: Yes, but do they promote one option over another?

Mr KIERATH: They would do that only if the employers said they preferred an option and wanted information on that. The officers would make available the information on all the options. If the employers chose one, they would provide more information about that option.

Mr BROWN: Is that requirement for evenhandedness part of the duty statement of the officers?

[11.30 am]

Mr LLOYD: It is not part of the duty statement. Officers give advice and have training about their roles and how to conduct themselves. They also survey the complaints. There is a general theme about how they present themselves; they must be evenhanded and dispassionate. That is certainly in the training.

Mr BROWN: But they do not promote workplace agreements over any other form of agreement?

Mr LLOYD: No. If the employer has industrial agreements, the inquiry might be about how to improve them. The officers do not have a mission to promote workplace agreements over industrial agreements. It depends on the employer.

Mr BROWN: I understand that, but let us deal with the employer whose employees are covered by an award and who is looking for an industrial enterprise agreement or an Australian workplace agreement. Do the officers promote the state system over the federal system?

Mr KIERATH: I hope so.

Mr BROWN: What is the reality?

Mr KIERATH: I hope they would.

Mr LLOYD: The officers do not have a detailed knowledge of the federal system. If the approach is from a federally regulated employer, they would refer that employer elsewhere. They are targeting small business employers who do not often belong to employer associations and who do not have a sophisticated human resources department to draw up agreements. The small business sector has a void in advice on those issues. Typically, small businesses are in the state system; very few are in the federal system.

Mr KIERATH: The department has worked very cooperatively with the Small Business Development Corporation, which has implemented various schemes. One of the most overwhelming features is that many small employers do not have sophisticated HR knowledge and advice. They are seeking information and the officers are providing it. We are talking about employers with employees covered by an award. Usually they make an inquiry because they

are having difficulties. In that process they are then told about other options. I hope the officers do not promote the federal system over the state system.

Mr BROWN: Do they promote agreements on the basis that they will be beneficial for both the employer and the employee?

Mr LLOYD: Yes. They are promoting the fact that agreements are the way to go. The preferred method of achieving efficiency and benefits for both the employer and employees is to have a satisfied, motivated work force.

Mr BROWN: So they do not promote agreements that would in any way disadvantage employees?

Mr LLOYD: No.

Mr BROWN: Why then do they not speak to employees when they visit workplaces?

Mr LLOYD: They respond to a request from an employer. They have on occasion spoken to the employees if the employer agrees, but they do not as a matter of course. They are invited in by the employer and often they do not meet the employees. They are there to give direction and advice to the employer. However, on occasion they have spoken to employees at the invitation of the employer. It is not barred in any way.

Mr BROWN: If it is an evenhanded service, why do they not notify the employees that they are having these discussions and provide the same advice?

Mr KIERATH: The employees can get that advice. This initiative resulted from our working with the Small Business Development Corporation, which is primarily targeted at providing information and service to small businesses.

Mr BROWN: Therefore, we can fairly tell our constituents that this is a government initiative paid for by the taxpayers to provide advice to employers but not employees?

Mr KIERATH: The employees' advice is provided by other people.

Mr BROWN: Do they meet with employees?

Mr KIERATH: The liaison officers will go out.

Mr BROWN: I am not talking about an officer promoting workplace agreements but one who will promote all options to employees.

Mr KIERATH: Officers from the industrial inspectorate will always talk to employees. I remember when the member for Thornlie was a DOPLAR officer. When I became Minister I went with her and others to Thornlie High School to tell the students about the pitfalls of starting work. That has been a traditional role, and I am sure the member realises that.

Mr BROWN: I understand that it has been going on for many years. However, this is about providing officers to give specific advice to specific individuals at considerable cost to the taxpayers. This service has been made available by the Government to employers. Where is the equivalent service for employees? The Minister has not told me that there is such a service.

Mr KIERATH: The workplace liaison officers do not provide that advice. The industrial inspectorate has traditionally provided that service and will provide it.

Mr BROWN: It provides advice about rights. Will the Minister confirm that, if an employee wishes to get information, DOPLAR officers will be made available to advise them? If that is the case, it is something new.

Mr LLOYD: If an employee rings and wants information, we will obviously provide it. If they wish an officer to visit, that can be arranged. That is highly unusual; it is not normally done. There are many requests from employees to the wage line service, and some of those inquiries would be about opportunities.

However, it is unusual for employees to request the attendance of an officer at the workplace to give advice on those sorts of issues. Typically the initiation of an agreement in the small business sector comes from the employer. That is why the workplace liaison officer service focuses on providing advice to the employer.

Mr BROWN: Has anything been done in the past six months in relation to compliance with awards?

Mr LLOYD: Compliance with awards is a primary function. Nothing special has been done.

Mr BROWN: Have any surveys been done or has work been undertaken in relation to compliance issues?

Mr LLOYD: Three inspectors have been visiting employers in three industries - fast food, hospitality and retail - to give advice about rights and obligations under the awards and the legislation. Those industries have been targeted.

Mr BROWN: Have any time and wages checks been made?

Mr LLOYD: Yes, time and wages checks are undertaken.

Mr KIERATH: Recently an aunt of a worker in the fast food industry wrote to me as Minister. The letter attracted my attention because I have a daughter working in that industry. Apparently some underage workers were being asked to work hours they have no right to work. DOPLAR has taken a very proactive role in that area. Officers have spoken to the major players in the industry. Changes have followed through. I have noticed that where my daughter works all of the rostering has been changed to accommodate that. They had 15 year old workers working later at night than they were able to by law. That is a fairly proactive role, where the department's people have said that once something has been uncovered they will get the industry to lift its game and change some of its habits. I can report that first hand.

[11.40 am]

Mr BROWN: I am interested to know about issues concerning award breaches, checking and compliance. I raised this last year. I understand that inspectors respond to complaints and that, if it looks as though someone is underpaid, for example, they will respond. Did inspectors look at compliance issues in the three industries the Minister has mentioned?

Mr LLOYD: Each officer has the capacity to visit about 10 to 12 employers every week. When they visit they examine time and wages records.

Mr KIERATH: They have also targeted those industries. If we think malpractices are going on or there is evidence of higher than normal noncompliance, we will certainly target them. Those industries that have just been mentioned have been targeted for a variety of reasons.

Mr BROWN: What was found about compliance?

Mr LLOYD: I do not have any data at the moment. Overall the number of complaints to the department has been decreasing over the last few years. We believe it suggests that employers are better informed. We have emphasised a more proactive role by drawing matters to the attention of employers. We are finding that they are more responsive and fixing up problems. Generally the caseload is down. I cannot give information on all industries of the number of breaches or anything like that. I can investigate that, if there were any records kept. I do not know the answer to that question.

Mr BROWN: Surely records would be kept.

Mr KIERATH: Mr Lloyd is talking about the general trends. Each industrial inspector keeps case files. I thought the member was referring to general trends.

Mr BROWN: I thought that the three industries were targeted because of concerns in them. In those circumstances one would have thought there would have been global records on compliance, breaches and follow up. Are no records kept?

Mr KIERATH: They are kept. We can provide the figures for the number of inspections in those industries, the number of breaches found and the amount of money that has been collected. That information is kept.

Mr BROWN: When was the targeting done?

Mr LLOYD: It is ongoing.

Mr BROWN: For those three industries?

Mr LLOYD: It is happening at the moment. I do not know when it commenced.

Mr KIERATH: We can provide the figures for the last 12 months for those three industries.

The CHAIRMAN: By way of supplementary information?

Mr KIERATH: Yes.

Division 48: Commissioner of Workplace Agreements, \$1 759 000 -

[Chairman, Mr Johnson.]

[Mr Kierath, Minister for Labour Relations.]

[Mr R.G. Cooper, Commissioner of Workplace Agreements.]

[Mr A.A. Scott, Assistant Commissioner of Workplace Agreements.]

Mr MacLEAN: On page 171, program 1 on workplace agreements refers to the registration of valid workplace agreements. What is the commission's procedure when an agreement comes before it which is not valid; how many have there been; and what were the outcomes?

Mr COOPER: The procedures are to check the requirements of section 30 of the Workplace Agreements Act to see that the agreement complies with the Act's technical requirements. It must provide for a term, name the parties and include a dispute settling procedure. The remaining part of the process goes to the requirements of parties understanding their rights and obligations under the agreement, whether they were threatened or intimidated and whether parties genuinely want the agreement registered. We use a whole series of processes to bring out those aspects. The applications that are not valid are refused registration. To the end of April 1997 we had refused 2 038 of a total 82 000.

Mr MacLEAN: When an agreement is refused, I take it that a staff member is sent out, sits down with the employer and/or employee and goes through where the refusal lies and makes suggestions?

Mr COOPER: That might happen before the refusal occurs. A notice is issued on refusal which indicates under which provision of section 30 the agreement was refused. It is quite common practice to advise the parties of the reasons for refusal. If it is a matter of compliance with the technical requirements of registration, it is quite common for that to be resolved before the process is finished.

In many instances that process results in a registration rather than a refusal. In some instances where a refusal occurs - it might be sensitive because there have been threats, intimidation, or some other aspect that goes to genuineness - it might not be appropriate for my office to take the parties through it. Generally they would.

Mr MacLEAN: How do you establish whether there has been intimidation or whether an agreement is not genuine?

Mr COOPER: The general approach is to look at the agreement and what factors would go to genuineness. If the agreement in the first instance would appear to be less than the award, for example, we would ask the parties their reasons for being prepared to have the workplace agreement less than the relevant award. In areas where there are likely to be threats, intimidation or a lack of genuineness, one might find that the total outcome of the agreement is less than the award.

Mr MacLEAN: What action can be taken if there are threats or intimidation to an employee over a workplace agreement and the employer refuses to negotiate?

[11.50 am]

Mr COOPER: Section 68 of the Workplace Agreements Act stipulates it is an offence to persuade a person to enter or not enter into a workplace agreement by threats or intimidation. It is open at that point for the aggrieved party to take the matter to the Industrial Magistrate's Court, the union or the Department of Productivity and Labour Relations. Consequently, in that circumstance, a registration would not be issued.

Mr MacLEAN: Do you ever start prosecution?

Mr COOPER: No. I do not have that authority or responsibility.

Mr KOBELKE: The figure of 2 000 or more refusals matches the commissioner's report issued in March this year. I thought the commissioner said the number of lodgments was 82 000, but the document indicates it is close to 28 000.

Mr COOPER: The number of refusals is 2 038 and it is for the period from 1 December 1993 to the end of April 1997. Consequently, when I quoted the total number of lodgments I related it to the same period.

Mr KOBELKE: Does the commission keep statistical information on the reasons for the refusals?

Mr COOPER: The commission published that information some years ago. Predominantly the reason was to not wish to have the agreement registered. We do not have the statistics on the reasons, but it is probably retrievable from the database.

Mr KOBELKE: Will the Minister be willing to provide the answer as supplementary information? I am seeking the information as it pertains to the current financial year.

Mr KIERATH: I need to be assured by the commissioner that excessive resources would not be required to obtain the information. I am not prepared to give that commitment at this stage. Subject to the commissioner advising me that it will not consume additional resources, because it is a small office, I would be happy to provide the information. Perhaps the member will put the question on notice and that will give the commissioner the ability to decide what resources will be required to provide the answer.

Mr KOBELKE: Is the Minister refusing to provide the information?

Mr KIERATH: I do not think I should agree to provide the information as supplementary information at this stage because neither the commissioner nor I can confidently predict what resources will be involved.

Mr KOBELKE: I refer to the last dot point on page 172 of the Budget Statements. One of the major achievements for 1996-97 was the publication of statistical and other information for the Minister and the community on the performance of the workplace agreement program. If we do not know the percentages or have an idea of the quantum of the reason for the refusals, it will be impossible for me to gain a proper understanding of the program. Are the commission's records in such a form that the commissioner can provide a statistical report on the number of current workplace agreements in any given month or financial year?

Mr COOPER: No, I am not able to provide that information. The reason is quite critical. A workplace agreement no longer covers the party when a contract ceases. Many employment relationships have ceased and we do not have a record of them. There is no requirement on parties to notify the commission when the employment contract ceases.

Mr KOBELKE: It is a fundamental issue. The Minister is pushing very hard for people to go onto workplace agreements. However, we do not have a system which gives an estimate of the number of people in the community who are employed under workplace agreements.

Mr KIERATH: One way to obtain that information would be by a survey. We have no power or method of obtaining information on when a person's contract of employment ceases. The Australian Bureau of Statistics does not have that information. The ABS obtains that sort of information through surveys. It is something that we can look at in the future. The only information we can go on is the information the commissioner has. There is no obligation on any party to report whether the contract of employment is current, has terminated or has been varied.

Mr KOBELKE: Does the commission collate information on, or have a valid statistical estimate of, the number of workplace agreements which contain wages below the minimum wage?

Mr COOPER: It is not our practice to register workplace agreements which are below the minimum wage. I know of only two instances where that has occurred. One was where the minimum wage had just altered and the agreement had been lodged before then. The parties had actually started paying the new minimum wage. There was no problem with the person understanding his rights. We covered the situation in the registration letter. The other case was where an error was made by one of my staff. That person missed the minimum wage, which was for a junior rate of pay, and the parties were advised that the rate of pay had no application.

Mr KIERATH: The important thing to remember is that regardless of what the agreement has registered in it, if the minimum rate of pay is below the minimum conditions of employment legislation, it is null and void.

Mr KOBELKE: What is the legal situation where a workplace agreement is registered and there is a change to the minimum wage requirement? Does the workplace agreement take that into consideration or, for the life of the agreement does it retain the level of remuneration in the agreement when it was signed?

Mr KIERATH: No, it must meet the minimum wage requirement. When the new rate is gazetted it overrides the conditions of the agreement. It comes into force from the date of proclamation.

Mr KOBELKE: Is there a procedure the commission follows to notify employers with registered agreements that there has been a change to the minimum conditions?

Mr KIERATH: It is done by proclamation and public notice. My department runs a series of advertisements.

Mr KOBELKE: Is that the extent of the administrative procedure?

Mr KIERATH: Yes.

Mr BROWN: I was interested to hear the commissioner's answer to the question asked by the member for Nollamara about the number of agreements which have been registered which include a wage below the minimum wage. It was the subject of a question I asked the Minister. I refer him to question on notice 606 which was answered on 7 May 1997. The answer to that question is different from the answer which was given by the commissioner today.

Mr KIERATH: Where is it different?

Mr BROWN: The commissioner said that to his knowledge there had been two cases. The answer to the question I asked did not provide any information like that. The answer I received also said that the information was not readily available and the Minister was not prepared to request the Commissioner of Workplace Agreements to allocate the resources -

Mr KIERATH: When members ask questions on notice they are sent to the appropriate department for the answer. In this case, the question went to the Commissioner of Workplace Agreements.

Mr BROWN: Perhaps there has been a change between 7 May and 23 May. Is there any information available relating to the percentage of the work force covered by workplace agreements?

Mr COOPER: We run into the difficulty we have already discussed; that is, we cannot give a current coverage figure for workplace agreements. If we were to use the total number of people who had been involved, we would have a figure of about 18 per cent. That would need to be discounted because many of the people may have changed their employment relationship.

[12 noon]

Mr BROWN: Is it true that a number of employers require people to sign workplace agreements if they want a job? In answer to the member for Wanneroo, you said when you consider whether there has been coercion you do a comparison between the workplace agreement and the relevant award. Is that correct?

Mr COOPER: We do not do a detailed comparison unless it relates particularly to genuineness. However, we have a pretty fair idea of the award rates and conditions. Initial examination of the agreement against the award would be the first thing we would do.

Mr BROWN: Therefore, where a workplace agreement contains either wages or conditions and/or a total value below the award, do you draw that to the attention of the employee?

Mr COOPER: Not necessarily. We deal with existing employees first by telling those people that when the agreement is registered, it replaces the relevant award and refer to the differences between the agreement and the award. The response to that usually indicates that the employee has had an increase in take home pay. If we are talking to a new employee, the same situation could well apply. It is conditional employment, but the agreement being offered is already well above the award.

Mr BROWN: I am not worried about those cases.

Mr COOPER: The remaining case which could have a lower outcome than the award is difficult to assess, because, in many instances, there has been a change in the number of hours offered. Many of those agreements are offered in casual employment. Therefore, associated with a rate that might be lower than the award rate is another factor that offers more hours or the opportunity for the casual employee to work, say, on the weekends or evenings. Whether the award has some relevance to the genuineness can differ, because that situation may never be offered under the award conditions.

Mr BROWN: The answer that you gave to the member for Wanneroo, as I interpreted it, maybe incorrectly, was that a comparison was done. However, I am getting from you that a different test is applied to existing employees than is applied to new employees.

Mr COOPER: It differs to the extent that we are looking for factors that go to genuineness. If the employment has been conditional on signing a workplace agreement, in some instances it alters the factors that go to genuinely accepting the agreement.

Mr BROWN: If either the wages or conditions, or the total value is lower than the relevant award, would you draw that to the attention of the employee?

Mr COOPER: If, in response to our telling the employee that the workplace agreement will replace the relevant award, the employee asks questions, we will give that person the information if we have it or we will tell him to phone the WageLine and ask questions about classification, rates of pay, the hours worked and other entitlements. If that affects his genuineness to have that agreement registered, he can come back to us before we complete the process.

Mr BROWN: However, your office would not draw that information to that person's attention?

Mr COOPER: We would in some instances. We would if we believed it affected the genuineness of that person wanting it registered.

Mr BROWN: I am not sure how you define that from looking at a document, without talking to the individual.

Mr COOPER: In most agreements, the outcome is clear. We have visited workplaces which have workplace agreements. However, in the case of new applications, we would always talk to the employer and a sample of the employees to determine whether the benefits from the agreement are above or below the award.

Mr BROWN: Do you keep a record of that?

Mr COOPER: People make notes on the files.

Mr BROWN: Are global records kept? One of the arguments in the public domain is whether people are being paid less under workplace agreements than they are being paid under the award. People come into my office all the time and tell me that they do not like workplace agreements, but they have to sign them if they want the jobs. They say the conditions are lower than the award conditions. When we ask for statistical information, we are told that records are kept, but they are too diverse; they cannot be pulled together; or it is too difficult.

This is a major public policy issue. It may not be up to you; it may be up to the Minister. I think that, if there is any accuracy in the statistical information, it would deal with workplace agreements that have a better outcome than the award - I know some do, because I know some employees, particularly in the mining industry, have said, "If you sign a workplace agreement we will give you another \$5 000 a year to get rid of the union". The union has been bought out. That happened in New Zealand also. Some employers have done that. Others have bought out conditions. They have said, "They are worth 15 per cent and we will give you another 15 per cent, but we will knock all the award conditions off." In other industries conditions have just been cancelled.

This report, which was much better than the previous one, indicated that a whole range of award conditions have now disappeared, including shift allowances, overtime rates and other things that affect people's earnings. Hours have increased. Those things are important for families and in the public interest. Despite numerous questions in this place, we cannot get answers to those issues which are fundamental to public policy.

Mr COOPER: The publication that we issued in about August last year showed what had happened with ordinary rates of pay. Only about 4.5 per cent of the agreements in that were below ordinary award rates.

Mr BROWN: There were a number of caveats on that.

Mr COOPER: Yes, and the caveats showed statistics of penalty rates being removed. Whether those penalty rates have application is another matter. Just because a penalty rate is removed from the employment arrangement, it does not mean that it has an effect. It might mean that the people who are subject to those penalty rates never work on weekends or evenings.

Mr KIERATH: I visited a company - I will not name it for fear of repercussions - which had an award rate and I think the workers were taking home about \$350 a week. However, because the penalty rates were so prohibitive, no-one ever worked more than 38 hours a week. When the workplace agreement was introduced the average take home pay of those workers rose to around \$550 to \$600 a week because they were working overtime whereas, previously, they never worked overtime because the rates were so prohibitive. That is why it is so difficult to compare one with the other. Sometimes apples are not being compared with apples; they are being compared with oranges. They take advantage of it and it has brought about a different structure of hours at the workplace.

Mr COOPER: Another point worth mentioning is that the hour factor is a huge variable in these comparisons. At the point the agreement is being registered, the hours might be at a certain level. However, the parties have built into the document the fact that the hours can go up and down depending on the requirements of the industry to service its customers. There are so many factors that it would be extremely difficult to give a comprehensive, composite answer. We have published trends so that people can look at them, and know that agreements for existing employment are not registered unless people genuinely want them. In most of those situations it is a better outcome. By considering all of that evidence, I believe we can get a pretty clear picture of what is happening.

Mr KIERATH: As an architect of the legislation, the information program was not meant to be specific to an individual because of the confidentiality provisions. However, it was designed to expose any trends and to highlight any that occur so that there is some sort of feedback to take into account in future legislation relating to those trends. Therefore, it is an attempt at as little regulation as possible in allowing trends to occur, but also with the right of veto if trends occur that we think are not satisfactory. We would then step in and change them.

Mr BROWN: I am more than happy to get information on trends. However, I am looking for real information, not information that suggests that when the comparison was done, it was not known whether over award payments applied or whether people were working overtime or shift work and so it was not known whether income had gone up or down. The test is what they were getting under their work arrangements previously and what they get after. If the

weekly award rate was \$400 and the weekly rate in the workplace agreement is \$450, but they are shift workers, and under the award they were getting a take home pay of \$550 and under the workplace agreement for the same hours they are getting \$450, they have gone backwards. That is the test in my view.

[12.10 pm]

Mr COOPER: It is the test we apply.

Mr BROWN: When we ask questions about actuals based on the same number of hours, for example, we are never able to get information that enables us to compare apples with apples.

Mr KIERATH: You are not likely to. I gave an example indicating that these matters could not be compared. Someone who previously worked only 38 hours a week because of the prohibitive cost of overtime, now has additional hours available in which to work because of the revised arrangements. I compared a previous take home pay of \$350 to an amount between \$550 and \$600. That is why it is difficult to provide direct comparisons. The information statistics were not designed to publish specific statistics on every agreement, but to indicate trends. The commissioner and I recently discussed going into some of those agreements and publishing some of the clauses in them. We cannot show the agreements because of the privacy issues, but the clauses could be publicised without necessarily identifying the parties although it might identify the industry. That was discussed in the last month and it will be progressed this year. There is no doubt that people might be interested in some of those clauses.

Mr BROWN: There has recently been debate about pattern bargaining with enterprise bargaining. Do you understand the term?

Mr COOPER: Yes.

Mr KIERATH: It is not in this area.

Mr BROWN: It is using a template agreement and getting other parties to sign as a template agreement.

Mr KIERATH: It is generally an industrial agreement and not a workplace agreement.

Mr BROWN: Are you seeing pattern bargaining with workplace agreements; that is, some employers registering exactly the same workplace agreements with exactly the same terms and conditions for all their employees with the exception of the wage rate?

Mr KIERATH: From one employer to another?

Mr BROWN: No, an employer taking on new employees can offer the same agreement to them.

Mr KIERATH: That is a silly question because a collective workplace agreement is exactly that.

Mr BROWN: I am not talking about collective workplace agreements.

Mr KIERATH: You are asking whether it is exactly the same. Pattern agreements are when employers pass the agreement to other employers. A collective workplace agreement is a template agreement for all the employees of the organisation.

Mr BROWN: I am asking about individual agreements.

Mr KIERATH: Hamersley Iron, for example, used a template agreement which was individualised for each worker, other than in two or three areas.

Mr BROWN: Rubbish!

Mr KIERATH: They were shown as individual workplace agreements but the vast majority of agreements were based on the template and modified in certain areas for individual employees.

Mr BROWN: Some of the rhetoric when these were introduced was that individual workplace agreements would involve separate negotiations with each employee, with terms and conditions drawn up to suit that employee. However, many of the agreements I have seen, particularly the sophisticated agreements drawn up by solicitors for major companies, are no different for all employees apart from the wage rate. What is the experience in relation to that?

Mr KIERATH: In many cases they are modified, but not all are.

Mr COOPER: There are examples of both situations described. It is common for agreements to reflect the operational changes an organisation has put in place; for example, the public sector workplace agreements, which

are open for inspection. The things they have reformed go across the whole organisation so the changes and conditions are reflected for all staff. When new people are employed that workplace agreement becomes available. When organisations do their second round of agreements, they are starting to modify the conditions for employees in particular groups.

Mr KIERATH: The member might have seen some individual agreements, but I have seen a couple of generic workplace agreements which some individuals in the agency refused to sign and wanted to change. That is sometimes difficult in government and it does not go down well. In several instances I have personally approved changes, as the Minister chairing the cabinet subcommittee on labour relations, to allow individual workplace agreements which were not in line with the generic agreements of the department. I recall one individual who stood his ground and was successful in changing his conditions.

Mr MARSHALL: I refer to the evaluation of registration process listed at page 173. I am aware that Alcoa in my electorate transferred to workplace agreements, following which productivity and workers' wages increased. It was structured so that the wage was based on the maximum overtime. The system has worked magnificently and the workers are proud and happy. I note that the evaluation will continue in 1997-98. What period does the Minister envisage will be necessary for full analysis of this process, and what conclusions have been reached so far?

Mr KIERATH: I am not sure whether Alcoa used workplace agreements although it has used similar features. The member is probably referring to the metal workers. Previously they worked overtime one night a week, and sometimes two. However, they converted to annualised salaries, which are another form of workplace agreement, under which they cashed in their overtime payment and were paid the same whether or not they worked overtime. I understand that in one 18 month period no overtime was worked. Previously the arrangement was that if a person worked for more than 30 minutes on call out, he was paid a minimum four hours' pay. The machines would break down on a regular basis and after 31 minutes' work, the employees were paid for four hours. The transformation has been remarkable.

That is a classic case. Only the penalty rates have been changed but there has been a major cultural change in the behaviour of employees. Those things can happen. Hamersley Iron has used workplace agreements, and I understand its productivity has increased from 15 000 tonnes a worker to 24 000 tonnes over the past two years.

The most amazing thing is the change in the number of working days lost. On average, 130 000 working days of wages were lost each year, but for the past two years not one day was lost. Workers were paid more to buy out some of the conditions, and they have increased productivity almost 100 per cent. The worker has been the major beneficiary in the elimination of working days lost.

[12.20 pm]

Mr COOPER: The example to which the member refers has been seen in a number of cases where the parties have calculated overtime and other penalty rates for a full year. As a result of the mechanism requiring people to go from one system to the other, in order to persuade people to move to the agreement the figure agreed upon is at the top end of the overtime rates. Therefore, employees have gone confidently into the agreement knowing they will be better off than the average. The employer for his part has introduced new reforms into the operation with improved productivity. Both parties are going into something they are confident will be a win-win situation.

Mr MARSHALL: Will the evaluation of whether workplace agreements were effective and the registration process take some time?

Mr COOPER: The evaluation of the registration process is to examine and conduct a survey about how effective our process of registration is rather than an analysis of real outcomes. The total outcomes, trends and statistics is more in line with what was discussed earlier

Mr KIERATH: Mr Cooper generally receives supportive information about the registration process. A swag of employers have contacted me indicating that dealing with his office has been one of the more pleasurable experiences in dealing with government, as matters have been dealt with by fax relatively quickly; they describe it as "a user-friendly process".

Mr COOPER: We are about to conduct the survey we do in June each year. A private consultant telephones all parties to the workplace agreement in the past six or 12 months and asks about the effectiveness of our contact with the parties. They establish whether parties wanted the agreement. Figures indicate 97 per cent satisfaction in past years.

Mr KOBELKE: The figures on page 172 relate from July 1996 to February 1997. We can see from the annual report that the figure was 47.5 in 1994-95 and 125.8 in 1995-96. Do we have an estimate or an actual figure for 1996-97 for agreements lodged per working day?

Mr COOPER: That figure will be released in June. I do not have it currently.

Mr KOBELKE: Do you anticipate its being roughly around the figure of 1996-97, or a little higher?

Mr COOPER: It will be higher. We have had more agreements this year. More significant than the number of applications and agreements is the number of employer and employee parties involved; this has risen significantly through the use of more collective workplace agreements in recent times.

Mr KOBELKE: Using the annual report to cover some of the things required in the process of registration: Each party to the agreement must appear to understand his or her rights and obligations under the agreement; no party to the agreement is to be persuaded by threats or intimidation to enter the agreement; and the commissioner is to ascertain whether employees signed the agreement voluntarily and had a choice to remain under the award. We have had some information about the processes fulfilling those requirements. Do we have statistics available on the number of staff visits to workplaces for face-to-face discussions with employees in order to fulfil those requirements?

Mr COOPER: In the survey we conduct each year, we try to obtain feedback on the parties' recollection of their contact with us - that is, whether it was by letter, filling in one of our requirements under section 94, telephone conversation, personal visit, visit to the workplace or a meeting in my office. We use those to determine how to target resources to the most effective approach, which is not the same for each application. Sometimes it is not necessary to personally communicate in an application from an employer with whom we have registered agreements before. In that case we can see that the new agreement has improved the situation as the documentation we have indicates that the process of consultation and information about employees in the workplace agreement is sound. A mix of devices is used selectively depending on the application.

Mr KOBELKE: Can you provide figures on the number of meetings between yourself, your officers and employees in the workplace?

Mr COOPER: We have not kept those figures.

Mr KOBELKE: So, it is minimal, is it?

Mr COOPER: No, it is quite extensive. That is partly why it would be impractical to keep a record of the number of conversations my staff have on the telephone or the number of people to whom they speak when visiting workplaces.

Mr KOBELKE: The reason for my emphasis on face-to-face meetings with employees is that many workplace agreements may be three or four pages in length and straightforward, yet others are long and use very legalistic language. I can imagine that many people I represent in Nollamara would have no idea of the full implications of the workplace agreement. How does the commissioner form an opinion on whether the person signing this document understands its implications with the more complex, legalistic type of agreement without talking to the person on the phone or face to face?

Mr KIERATH: Equally the member would have to agree that even the most professional people in industrial relations cannot understand clauses in awards. Many people employed under awards would not have a clue about the conditions outlined.

Mr KOBELKE: Usually, they can rely on unions to protect them, which they cannot do in this procedure.

Mr KIERATH: They hope so. They can always employ a bargaining agent on their behalf.

Mr KOBELKE: We know from statistics that they generally do not.

Mr KIERATH: The last figures I saw indicated that one in 20 use agents.

Mr KOBELKE: Ninety-five per cent do not.

Mr KIERATH: I expected 50 per cent to choose an agent; I was surprised. Obviously, given that choice, people feel confident about what they are doing.

Mr COOPER: We put a fair amount of time into that aspect of the registration requirement. The words are that parties appear to understand the obligations and rights under the agreement. In support of that area, we have a practice of visiting a workplace for each new application and talking to the largest sample of employees we can practically gather. If we have any doubt about whether an understanding is causing a problem, we bring the parties

back together to sort out that matter. If that does not resolve the matter, the agreement will be refused. In most cases, it is in the interests of both parties to properly explain the agreement to each other. We seek written and verbal advice on the processes in getting the agreement together and whether extensive consultation was involved. We ask questions about the information process which took place prior to people signing the agreement. All those factors are taken into account, as well as asking detailed questions about the agreement face to face. We take all of that into account in making what I think is a reasonable assessment of that factor.

[12.30 pm]

Mr MARSHALL: Page 172 refers to the registration of workplace agreements. I have always found in small business that to have a written agreement between the employer and the employee has been common from time immemorial, but that process has now been legislated for, and 22 480 agreements were registered in the first year. Is that just scratching the surface of workplace agreement registrations or was that a lot for the first year? How did it go in the second year, and what is the anticipated rate in future?

Mr KIERATH: From a policy point of view, I am delighted to see that number of agreements registered, and that is due to the work of the workplace liaison officers. We have found that most of the major companies that have required such agreements have done something about it. The requests for information now come predominantly from small businesses, which perhaps do not have a human resources section. That is the area from which a crying demand is coming, and we have been talking about trying to get industry associations to develop model agreements or generic agreements.

Mr COOPER: The uptake figures are as follows: In the first year, 1994, 8 400 agreements were lodged; in 1995, that increased dramatically to 28 500. In 1996, a further 4 000 agreements were registered. The trend this year indicates a growth of 5 000 or 6 000 registrations each year. A similar figure applies to the number of employer organisations that are coming into the system for the first time. In addition to new employers coming into the system, it is significant that those employers who are already in the system are, by and large, continuing to use it.

Mr MARSHALL: The second dot point at page 172 refers to providing an information service to promote community awareness and understanding. Over that period of two years, has the message gone out well and truly, or is it still necessary to provide information?

Mr KIERATH: There is still a big demand for the message. Most of those who wanted something to happen have been satisfied; they have taken advantage of it. We are finding now that although the majority of people are aware of workplace agreements, many people do not know how they can use them to overcome some of their problems. People who needed a change have made use of workplace agreements, and we are now at the level below that - the part of the iceberg that is under the water - where people who have a problem but do not know how to resolve it need that information. That is the work of the workplace liaison officers.

Mr COOPER: We are still getting a large number of requests for information from businesses for a visit on a one to one basis, information over the phone, or written material. It is interesting also that we are still getting requests from industry and business associations to run our standard information seminars, and we are still very pleased to do that.

Mr MARSHALL: How many people attend those seminars?

Mr COOPER: At the last three that I ran, which were in Albany, Mandurah and Rockingham, there were 40 to 50 people, which is quite a good turnout for 6.00 to 8.00 o'clock on a week night.

Division 49: Registrar, Western Australian Industrial Relations Commission, \$6 060 000 -

[Mr Johnson, Chairman.]

[Mr Kierath, Minister for Labour Relations.]

[Mr J. Carrigg, Chief Executive Officer.]

[Mr A. Watt, Director Corporate Services.]

Mr KOBELKE: Page 823 indicates that changes to the industrial relations legislation will impact on the commission's operations. What will be the main areas of impact?

Mr KIERATH: Obviously there will be a lot of new procedures, of which pre-strike ballots will be a major one, and it is very difficult for me to anticipate how that will affect the commission, although there have been some discussions about the form that pre-strike ballots will take.

Mr CARRIGG: The provisions with regard to pre-strike ballots go to a fair bit of detail about the procedures that the commission shall follow. It is all new and has not been tested, but those provisions will have a significant effect on commission operations because they are all new procedures. That is only one part of it. Changes to the Act that were brought in last year and will be proclaimed shortly will introduce pre-trial arrangements in the Industrial Magistrate's Court, and that will have quite an effect on my department with regard to providing support for that court because those pre-trial arrangements will be serviced by my department and will lead to better throughput in that court.

As a result of nearly all of the amendments in the legislation, union rules will have to be reviewed, and I will be required to put in place the process and the officers to attend to that. I will then need to make application to the president where the rules are inconsistent with or contrary to the new provisions. That is ongoing. Two new requirements in the legislation are that the commission must review all awards and agreements with regard to dispute settling procedures and check off payment of all union dues. All these things collectively will have quite an impact on what the commission will be doing over the next 18 months to two years.

Mr KOBELKE: While it is very difficult to gauge the amount of work and the commitment of staff and the resources required, can we get some guide from what has happened in the past? The 1995 amendments also contained a requirement, which in some parts is similar, for the review of awards. What was the cost of undertaking that review of all awards?

[12.40 pm]

Mr CARRIGG: I cannot give the dollar costs now, but I can arrange for them to be produced. Those costs will reflect the amount of money that had to be paid for advertising as required by those changes to the Act. The research branch of the commission had a lot of work to do to prepare the information, and the commission conducted hearings on both of those matters that have gone through. Those activities did not incur any additional cost as far as money or FTEs are concerned.

The two further award and agreement reviews which are contained in the legislation about to be enacted have the same sort of publication requirements, and requirement for research and commission hearings. This time we will be much more efficient, because the pattern has already been set, based on the 1995 amendments.

Mr KOBELKE: What is the explanation for the increase in FTEs from 68 to 76 that is shown on page 823? Although the number of FTEs has increased, the money allocated for salaries, wages and leave entitlements has been reduced by about 2.6 per cent.

Mr CARRIGG: The FTE figure of 76 is the approved average staffing level. The actual figure is 68. We are not funded for 76 FTEs; we are funded on the basis of the expected run out at the end of the year. The difference relates to six commission positions and two staff positions which have not been filled over the past couple of years.

Division 50: WorkSafe Western Australia, \$12 547 000 -

[Mr Johnson, Chairman.]

[Mr Kierath, Minister for Labour Relations.]

[Mr P. Shaw, Executive Director.]

[Mr B. Dellar, Director Corporate Services.]

Mr KOBELKE: What is the advertising and promotions budget for WorkSafe in both 1996-97 and 1997-98?

Mr KIERATH: WorkSafe often taps into money from WorkCover for promotional campaigns. At various times additional money has come from the State Government Insurance Commission for safety campaigns.

Mr SHAW: The budget for 1996-97 included \$353 000 from WorkCover. The figures for 1997-98 anticipate that the same amount will be provided from WorkCover Western Australia. In addition, we are seeking funds from SGIC to bolster our television advertising program.

Mr KOBELKE: Does any specific money in this budget come from the consolidated fund directly to the agency's advertising and safety promotional program?

Mr SHAW: The safety promotion and advertising funding is shown in the industry and community awareness program. It is all part of the information and promotion package that totals \$3 035 000; that is shown on page 1073 of the budget statements.

Mr KOBELKE: What is the explanation for the reduction on the previous year?

Mr SHAW: The information and promotion program includes promotional events such as trade displays and field days; the Think Safe campaign; promotion of the WorkSafe smart move package in schools, the occupational safety, health and resource package to technical and further education lecturers and vocational trainers; mailouts, and promotion of the safety line institute, which is a series of tertiary level lectures on the Internet available to staff and sundry people. It also includes WorkSafe week, which is a substantial promotion during August each year.

Education and training products are the other side of the industry and community awareness program. We provide curriculum resources for schools, and for induction training. We conduct hazardous substances training seminars. We have held extensive seminars on the new Act. These events comprise our industry and community awareness program. They are coupled with the *SafetyLine* magazine which is produced for all work places. We produce four editions of that magazine each year. That is distributed to all safety and health representatives in workplaces. Our printed products include codes of practice and guidance notes. They are available not only on the Internet but also on hard copy. Our inspectors give talks, hold seminars and conduct sessions for the Trades and Labor Council, the Chamber of Commerce and Industry, the Industrial Foundation for Accident Prevention and those sorts of organisations that run training programs for safety and health.

Mr MARSHALL: Has any evaluation been done on the success of using a prominent sportsperson in WorkSafe's television advertisements?

Mr SHAW: It has been successful. We are thrilled with the promotional programs featuring Glen Jakovich, the Eagles footballer. We hope to sign him up in a new contract for the next 12 months using some of our funds and funds supplied from the SGIC to produce more television advertising for the Think Safe Work Safe program.

Mr KIERATH: During safety week we found that Glen Jakovich's poster was in great demand from high school students. He has been able to give WorkSafe entree to young people. We had not had anywhere near that success in previous campaigns.

Mr MARSHALL: I am pleased to hear the promotion is working. I am asking this question because I believe through sporting stars we have a good chance to promote safety at all levels. Has any thought been given to using an outstanding female athlete in any of these promotions so that the other gender will be catered for in the WorkSafe program?

[12.50 pm]

Mr KIERATH: There are always reservations about these promotions when they are untried and untested. Ministers take some risk in agreeing to them. We could have fallen flat on our face with this promotion. This project has exceeded all of our expectations in terms of our penetration into the market, getting the message out, and young people being receptive to a message from this person, as distinct from others. We have taken it one step at a time. It has gone from a small campaign to where we have signed an ongoing contract with Glen which will be extended further.

Mr SHAW: We looked at the Dockers and the Eagles. The analysis of television times indicate that the Eagles seem to be more popular than the Dockers. That is why we grabbed Glen for this promotion. We thought he fitted the bill perfectly in terms of his appeal to young people. He is an inspirational, motivational sportsman. We have looked at other outstanding athletes. We have brainstormed this within the department and came up with a few names. We thought about a different type of sportsman, such as David Dicks. That was mooted.

We considered some Olympic athletes and someone even suggested Shane Warne the cricketer or James Hird from the other side of Australia. We would have some difficulty in getting hold of these people for this promotion. We have been very happy with Glen Jakovich. He has done everything we wanted him to do. He seems to be improving in leaps and bounds in his television commercials. We are thrilled to bits with the television success of this project.

Mr MARSHALL: I congratulate the department on its selection of Glen Jakovich. I have been to a number of football shows where he has been the guest speaker. I am in awe of the leadership skills shown by this young man. He may be young, but he shows maturity. He has wonderful leadership qualities. Is any consideration being given to a woman in one of the advertisements?

Mr SHAW: While we are on a good thing, we think we should stick to it. The analysis we have received shows that Glen is penetrating the market. We have obtained the approval of the State Supply Commission to have Glen signed up in the future as the public persona for our WorkSafe series of television advertisements, radio promotions and those sorts of things. We think we are on a winner with him.

Mr MARSHALL: I am very pleased to hear that.

Mr KOBELKE: The estimates for revenue are provided on page 1082. I refer to the difference in the figures for 1996-97 and 1997-98 for taxes and licences and departmental income. There is a considerable decline. Can the Minister give a reason for that? Is it indicative of changes in the industry, or is this decline due to administrative changes and changes to levels of fees?

Mr SHAW: The reduction in revenue is mainly due to the impact this year of our new regulations which came into being on 1 October 1996 and which saw a significant pickup of the requirements for registration of plant and certificates of competency and those sorts of things. We expect that will decline next year. We have also moved away from a few areas of revenue charging. We used to have a substantial noise calibration facility which we have now dispensed with. That has been picked up by private industry.

Division 51: Planning, \$15 948 000 -

[Mr Johnson, Chairman.]

[Mr Kierath, Minister for Planning.]

[Mr P.S. Frewer, Acting Chief Executive Officer.]

[Mr P.M. Melbin, Director Corporate Management.]

Dr EDWARDS: On page 712 reference is made to continuing negotiations with the Department of Conservation and Land Management on the transfer of regional parks. Exactly the same statement was made last year and there was also some talk about transferring three pieces of land from Canning River, Yellagonga and Herdsman Lake to CALM. Have those transfers occurred and what is happening with regional parks? Is there any financial implications within the Planning budget?

Mr KIERATH: We have reached an in-principle agreement with Cabinet for some funding additional to this budget item. I think a figure is shown for the first two years. I hope we will be able to make an announcement within four to six weeks.

Dr EDWARDS: Is that amount visible in this document?

Mr KIERATH: I am not sure. I have been advised it is provided to CALM.

Dr EDWARDS: Will the department transfer that amount to CALM or will it come straight out of the consolidated fund?

Mr KIERATH: It is within the figures for CALM. When an announcement is made the lands will be transferred to CALM and it will require the ongoing funding, so the money will actually appear in CALM's budget.

Dr EDWARDS: Is administrative change needed?

Mr KIERATH: At this stage, no.

Mr FREWER: There is a requirement to put those parks within the CALM Act. I am not quite sure where that issue is at.

Mr KIERATH: I do not think it requires this land to be transferred to the legislation now. It will occur after the announcement.

Dr EDWARDS: An argument has been put that the regional parks will have no legal status.

Mr KIERATH: Yes.

Dr EDWARDS: Will that become CALM's problem?

Mr KIERATH: No. A proposal is about to be announced and we will set a schedule for the transfer of parks. When that happens, a legislative change will be required in CALM's Act to accommodate that. All I am saying is that we can give the assurances which were given previously with a lot more confidence this year. The funds have now been agreed to, and that was the sticking point.

Dr EDWARDS: That is good. A comment is made on page 712 about the protection for bushland. It then goes on to talk about the introduction of land zones. I am interested in land zones to do with landscape values and bushland. What is already in place and what is planned?

Mr FREWER: Currently there is a proposal to have a zone in the metropolitan region scheme for ground water protection. That is currently under way for Jandakot within the metropolitan region scheme. Other schemes also lead

to the protection of landscape, bushland, ground water and other values. This comment in the document is saying that at regional level we must re-examine aspects of the metropolitan region scheme to bring in resource management issues generally. This issue is also being examined within the statutory regional schemes which have been prepared outside Perth. We are also examining how we can broaden zoning at regional level to protect natural resources generally in the Peel and Bunbury regions.

[1.00 pm]

Dr EDWARDS: When will an announcement be made about the Perth bush plan? What has happened with the Perth environmental project?

Mr FREWER: The Perth environmental project is a database prepared in the past three years around a geographic information system that categorises all the remnant bushland in the Perth metropolitan area. That information is now being used to prepare the bushland plan, which differentiates bushland of local and regional significance and proposes how it should be managed in the future.

We must decide what are the best mechanisms to be used to protect the bushland and at the same time allow further development of Perth, bearing in mind these conflicts are classic in major growth areas. More than 3 000 separate areas of bush have been identified, some of which are categorised as regional and some as local in terms of remnant vegetation status. They must all be looked at individually. We are examining various mechanisms to protect that bushland in the future.

Dr EDWARDS: How soon will an announcement be made?

Mr FREWER: The proposal is with the Planning Commission. A lot of questions are being asked about how it will happen, what will be the changes, whether it will need legislative change and what will be the funding implications if the land is reserved. We expect the Planning Commission to provide that advice within about three months.

Mr KIERATH: It may take longer before announcements are made; it is a complex issue.

Dr EDWARDS: You are also integrating many other pieces of information.

Mr FREWER: The bush plan is integrating the work being done in the system 6 update as well as picking up CALM's rare and endangered community. It is a whole-of-government approach to the bushland issue. It is taking time to integrate the data and provide solutions.

Dr EDWARDS: Will that affect the Urban Bushland Advisory Group? Will you review that?

Mr KIERATH: The Urban Bushland Advisory Group has had a role in getting the bush plans to this level. Once we receive advice from the Planning Commission it may need to be taken to another stage, when we might take it to another forum. Some of the key individuals who have been involved will probably play a role in whatever structure we put in place. Once this has been completed UBAG's initial task will be over.

Mr MARSHALL: At page 715 reference is made to the review of coastal management in Western Australia. At what stage is the development of the coastal management training programs? How much has been set aside in the budget to ensure something comes to fruition from this management plan?

Mr FREWER: The review of coastal management in Western Australia was prepared by an independent panel chaired by Hon Bruce Donaldson and was endorsed by government last year. As a result a series of actions were undertaken, including the formation of a coastal zone council. That brings together all the major players involved in coastal zone management at government and local government level. Its major task is set out at page 715. Coastal policy was released late last year, which generated debate, and we are reviewing submissions. It will be released through the Planning Commission in the next few months. A report has been issued on the impact of sea level rise following a research project undertaken for the Perth metropolitan area with respect to the coast west grants. From memory, about 100 applications were received. The successful grantees will be announced by government shortly.

The coastal zone training program is being examined jointly by the State and Federal Governments as well as the educational institutions, including South Metropolitan TAFE. The coastal systems database is considering how we can pool information about the initiatives government has taken on a whole-of-government basis with respect to spending in coastal areas. That work is underway. We have collected all the state government data and examined its spending on programs. We will be returning that to agencies for comment. It should be completed in the next few months.

Mr MARSHALL: In light of our extensive and vast beaches in Western Australia and the coastal destruction brought by storms, will the budget contain enough money to fulfil all the expectations of the review?

Mr FREWER: It is being approached under the west coast care grants, a joint state-federal program. We have \$1m this financial year to distribute. It comes from a base that had no funding two years ago. The main target is to make sure things happen on the ground and the coastal protection projects are the highest priority. Some grants go to planning, education and research. However, the bulk goes to areas that already have coastal management plans in place, such as the Shire of Mandurah, and the necessary coastal rehabilitation and coastal management works on the ground. There is a strong commitment within that funding to ensure those projects are initiated. The program is not based only on local government or government funding. Community groups can put up for funds as long as they have the support of the people who own the land or in whom it is vested. Community involvement is strong.

Mr MARSHALL: I congratulate the Minister for taking the initiative to develop coastal care.

Dr EDWARDS: On the same page reference is made to implementing the recommendations of the Select Committee on Metropolitan Development and Groundwater Supplies. What is happening with the Gnangara groundwater area?

Mr FREWER: It has been subject to a modelling study undertaken by Dames and Moore Pty Ltd through the Water and Rivers Commission.

Dr EDWARDS: Has that been released publicly?

Mr FREWER: I am not sure. The Jandakot information is available. It has formed the basis for the major amendment. The work on the Gnangara mound is being used as a basis for studying wellhead capture zones and determining what the scientific boundary will be for the mound itself. On that basis, a broader Gnangara land use and water management strategy is in preparation. That will be modelled on the Jandakot land use and water management strategy, which allocates land uses on the mound compatible with the future quality and quantity of groundwater in the area.

The Gnangara exercise is taking some time to pull together because of the extent of the area which goes into Gingin, part of Chittering and areas of Wanneroo and Swan.

Dr EDWARDS: What is the time frame for that?

Mr FREWER: The draft is due to go to the Planning Commission for consideration in August.

Dr EDWARDS: At page 712 reference is made to updating the metropolitan plan. Is that being done; if so, in what way?

Mr FREWER: The metropolitan plan is the major strategic plan for the whole of Perth. Through the state planning strategy a review is being done of the major urban structure of Perth. It is fair to say that historically Perth's planning has been dealt with within the constraints of the local authority boundaries that define the metropolitan area under the Metropolitan Region Town Planning Scheme Act. It is apparent now that because of the growth of Perth we must take into account a broader area. That includes Northam, York, Toodyay, Gingin and Chittering, the area north of Perth where growth is occurring through coastal settlements, through Gingin towards Lancelin and, importantly, through Mandurah and Pinjarra. A lot of work is being done on these components with structure planning.

The state planning strategy proposes a major piece of work be done to examine what is being called the south west urban system, which examines the context of Perth's growth, the nature of the future form the city should take and how that will affect the urban structure throughout the south west. We will be commencing that this financial year and then will proceed to look at the nature of Perth's growth in a strategic sense, but not being constrained by the traditional boundaries of the metropolitan region.

[1.10 pm]

Mr MARSHALL: The fourth dot point on page 715 of the Program Statements refers to the preparation of a number of major industrial land studies. The fourth paragraph under that refers to the draft Preston industrial land study. What are the conclusions from that study?

Mr FREWER: That study is still under way. It is part of a suite of studies in the general Bunbury-Kemerton industrial area. A number of studies have been initiated to examine things like the expansion of Kemerton and the access of Kemerton into the port. Also in Preston a large area is currently identified as industrial land, which is within the Bunbury-Wellington structure plan. There have been some pressures to re-examine that taking into account the nature and growth of demand for industrial land in the area. That study is examining the nature and extent to which industrial land will be required in the Preston area and considering alternative land uses that could occur within that general area.

Mr KOBELKE: What is the estimated total development cost of the Subiaco redevelopment and what will be the total contribution made by government to the overall project?

Mr KIERATH: I will provide that information by way of supplementary information.

Dr EDWARDS: Did the contributions from the City of Subiaco and the Ministry for Planning, expected to come in by the end of this financial year and referred to on page 928 of the Program Statements, come in?

Mr FREWER: In the previous financial year, the \$12m shown did not come through the Ministry for Planning; it was a direct allocation under the miscellaneous division. This year the miscellaneous division has been disaggregated to various agencies. Therefore, \$4m is shown through the ministry that will be used to acquire crown land at Subiaco. However, it is through the devolution of the miscellaneous services budget. That item was dealt with directly from Subiaco.

Mr KIERATH: That has been finalised. There were a few hiccups. However, they related to the transfer of the trust lands. Development has begun on part of those.

Dr EDWARDS: Does Mr Frewer's answer explain capital services that I was having some trouble understanding on page 716 and where they are summarised at the end of the division on page 720?

Mr FREWER: The \$4m shown for 1997-98 is the allocation of funding through the miscellaneous division to Subiaco.

Dr EDWARDS: When will the first release of land occur at Subiaco?

Mr KIERATH: The first sales are about a month away. Roads are being put in and the kerbing is being completed. The first lot of sales will be in about three weeks.

Dr EDWARDS: Is the Minister prepared to table the major planned achievements for 1997-98? In previous years major planned achievements for the future financial year were tabled. They are not now because of Treasury. Presumably the Minister has a document that is similar.

Mr KIERATH: I would be prepared to table that. However, I am not prepared to provide it by way of supplementary information because I am not aware of what form it takes.

Dr EDWARDS: What planning works are being done about the future of the Claremont Speedway and what sites are being looked at to relocate it?

Mr KIERATH: A group has been looking at it and a number of options have been developed. It is a bit sensitive at this stage because it has not gone to Cabinet.

Dr EDWARDS: Will you undertake to consult the local members, given the rumours that are flying around?

Mr KIERATH: At this stage discussions are still pretty sensitive. I am not prepared to release details at this time. I think it is likely a submission will go to Cabinet within a month. It is pretty close. I have seen the draft cabinet submission, so it is not far away.

Dr EDWARDS: Who owns the land?

Mr KIERATH: It is under the control of the Royal Agricultural Society. It has given notice to the speedway to move. We believe that, provided there is a concrete plan for it to get out, the deadline might be negotiable.

[1.20 pm]

Division 52: Western Australian Planning Commission , \$30 410 000 -

[Mr Johnson, Chairman.]

[Mr Kierath, Minister for Planning.]

[Mr P.S. Frewer, Acting Chief Executive Office, Ministry for Planning.]

[Mr P.M. Melbin, Director, Corporate Management, Ministry for Planning.]

Mr MARSHALL: What is the situation with the south west corridor railway stations?

Mr FREWER: The Western Australian Planning Commission, through an amendment to the region scheme last year, finalised the reservation for the south west railway line from Perth to Kenwick and across to Jandakot. The new reservation appeared south of Jandakot to the metropolitan region boundary. Considerable work has been done on the local planning issues around some of the proposed railway stations, as well as extension of the line into Rockingham to integrate the line more clearly into the Rockingham area.

Work has also been done south of the metropolitan boundary into Mandurah. We are looking at the alignment and the terminal point of the railway station, and some of that work has been picked up both through the planning group for the south west railway as well as in the inner Peel structure plan. At the moment there is a proposal to do a master planning exercise which will pull together all the various strands and look in detail not just at the land reservation requirements, but also the operational requirements and the detailed design work to be undertaken to fulfil the construction of the railway.

Mr MARSHALL: How long will it take to reach concrete conclusions from the research?

Mr FREWER: The master plan is being prepared at the moment. I suspect it will take between 18 and 24 months to work through an exercise of that magnitude. From there, it will be a decision of government as to the timing of any work required for the railway itself.

Dr EDWARDS: The Western Australian Planning Commission has placed caveats on land titles where refunds must be made of compensation previously paid. When that money flows in, will it go to the Planning Commission or the consolidated fund? What revenue is expected to flow from those caveats? How many more do you anticipate will be lodged?

Mr MELBIN: The refunds will go to the metropolitan region improvement plan. The answer to the second part of the question will need to be provided as supplementary information.

Mr KIERATH: I will provide that as supplementary information. A major review of road reserves has been carried out with the Department of Transport and other interested parties, and that has probably precipitated some of the questions. Ordinarily there would not be so many in one hit, but because of the review of some of the major routes there has been a rush of these cases.

Mr FREWER: I understand 120 roads have been reviewed over a period following the road reserves review carried out in 1991. They are being dealt with in batches of 10 or 12 as amendments to the region scheme occur. Because the detailed work is being undertaken, in most cases the reservations are being reduced quite substantially. The problem arises where owners have already received compensation for the previous reservations which may have been much wider. For example, if a 10 metre reservation is taken back to 5 m or in some cases back to zero, an adjustment must be made and funds recouped for compensation paid for land no longer required for that reservation.

Dr EDWARDS: According to the legislation, it can be applied only as far back as 1988 and there will be a fixed number.

Mr FREWER: We have a list of the roads but we must identify individual lots. Also, because the work is undertaken as a rolling program, we are about to initiate the fourth batch of regional road amendments. That would require those roads to be examined also. It is a rolling program and as the amendment proceeds, and the reservations are firmed up and put into the scheme, the consequential action is adjustment of compensation payments made in the past.

Dr EDWARDS: I am most interested in the retrospective aspect. When the change was introduced, it was said that only 11 properties were involved. The others are probably road reserve reductions.

Mr KIERATH: There will be many more than 11. They are being done in batches of roads.

Dr EDWARDS: In 1994 the former Minister changed the legislation and introduced an element of retrospectivity going back to August 1988. He said it affected only 11 properties.

Mr FREWER: We have a list of people who have been contacted explaining the need for some adjustment, but we cannot predict what it will be in the future.

Mr KIERATH: Will the member provide more information on this matter?

Dr EDWARDS: I will put a question on notice.

Mr KIERATH: I will then follow it through. I am only aware of the batches of roads. If 10 or 12 roads are done at one time, between 70 and 80 properties could be affected depending on what is done to the road.

Mr FREWER: Only some would have been paid compensation in the past. Compensation was claimed for injurious affection. There are subsets of the issue.

Mr KIERATH: It is difficult to give a concrete answer.

Mrs HOLMES: Reference is made at page 728 to south west corridor railway stations. Will there be a consultative process to allow local residents to have a say in the placement of railway stations? The people in Canning Vale are concerned about the location of the railway stations.

Mr KIERATH: Once the study is completed, a draft proposal will be drawn up, public comment will be called for and then the proposal will be finalised. There is usually an extended period for public submissions and consultation.

Mrs HOLMES: When do you anticipate the consultation period will begin?

Mr FREWER: Consultation will take place as preparation of the master plan proceeds. There is no definite start date. There will be public consultation as that proceeds. There is also a question of a metropolitan region scheme amendment, which involves a formal consultation period as well as hearings. That will follow on. If there is a need to move a reservation currently in place, change the land requirements or broaden the reservation for a railway station, that will go through an amendment to the region scheme.

Mr KIERATH: That is the planning side, but the Department of Transport is fairly well advanced in the extension of the railway. Proposals have been made and once the Government sorts out its money and priorities, a draft will be drawn up and people will have input about the location of those stations.

Mrs HOLMES: Will the Minister keep me informed?

Mr KIERATH: As the member will know, the holdup on the Ranford Bridge has been caused by its redesign for the passenger rail to go through to Jandakot. That is one of the difficulties being faced now.

Mr KOBELKE: One of the major achievements for 1996-97 is listed at page 730 as three statutory region scheme texts for Peel, Bunbury and Geraldton. How far developed are those statutory schemes?

[1.30 pm]

Mr FREWER: Planning committees have been established to undertake the preparation of statutory region schemes in both Peel and Bunbury. The Peel exercise is predicated on the finalisation of the inner Peel structure plan. That is currently under way. We have drafted an outline of the text that might support a region scheme. That is being discussed both in Peel and Bunbury. The Geraldton issue is slightly more complex in that the planning issues that prevail around Geraldton need to be considered with the Oakajee development. Once that is known the Geraldton region planning committee will finalise the Geraldton region plan for public release and move towards converting that into a statutory region scheme.

Mr KIERATH: We expect it to be about a June-July time frame.

Mr KOBELKE: Is that for the structure plan or the statutory scheme?

Mr KIERATH: The Oakajee issue should be resolved about June-July. The other planning requirements will then be met.

Mr KOBELKE: Given that Geraldton is a little behind the other two, do you have a clear indication of the date that a statutory scheme will be in place for Peel and/or Bunbury?

Mr FREWER: The proposal is for both Peel and Bunbury to go to the Western Australian Planning Commission about September-October. It will then go through a public consultation period.

Mr KIERATH: It may be early next year.

Mr KOBELKE: Do you mean that in early 1998 a statutory scheme will be in place?

Mr FREWER: By the time it goes through the public consultation stage it will probably be more like mid-1998.

Mr KOBELKE: Can you indicate the costs involved in acquiring land under such a statutory scheme? What means will be used to fund the land that must be bought for reservation under the statutory scheme?

Mr KIERATH: That is in the melting pot at the moment. Globally, we are aware of the funding requirements on an annual basis for a scheme across the State. The detailed information must be provided.

Mr FREWER: A lot of work is being undertaken to finalise the inner Peel structure plan, which will deliver the required reservations. Those reservations will be set in place through the statutory region scheme. That work is ongoing. We have some broad estimates but they are not helpful in providing the true picture of land requirements. In that respect, the Peel situation is being dealt with through the committee. The Government has allocated \$9m for the acquisition of land over three financial years. That is being considered from the point of view of the seed funding over that time, given that the region schemes will take some time before they are prepared and become statutory instruments.

Mr KOBELKE: Has a decision been made about funding, whether it will be via a local government levy or a metropolitan regional improvement tax extended to non-metropolitan areas?

Mr KIERATH: A decision has not been made. We have put aside some money from the consolidated fund in the short term, so that will give us some time to consider the issues in detail.

Mr MARSHALL: At page 728 the third point under major achievements for 1996-97 relates to improved coordination of land using planning for Western Australia as a whole, and that will be achieved by the delivery of a state planning strategy. Can you explain that statement?

Mr KIERATH: The state planning strategy is a fairly broad instrument. I am sure the member has received a booklet on the planning strategy for the entire State. It tends to be a broad brush approach but it will identify the key issues. This is a vitally important issue. It has been going through public consultation for some time, and I hope that will be finalised within the next few months. The strategy sets the tone for future planning. More detailed planning will be undertaken but this sets the strategy for the development of Western Australia.

Mr MARSHALL: Has that document been put out for public consultation?

Mr KIERATH: Yes. The chairman of the WA Planning Commission has held meetings throughout the State. A number of meetings have been held in the south west, which have been attended by large numbers.

Dr EDWARDS: At page 723 under categories of expenditure, recurrent expenditure for services and contracts has jumped from \$7m to \$14m. Can that situation be explained?

Mr FREWER: Planning Commission funds are not on a year by year basis. It has carryovers from one year to the next. The estimated actual for 1996-97 of \$7.128m should be related to the \$2.837m below, which is the adjustment for cash book balances. That was the opening balance at the commission. Those figures total \$9.965m. On the other side of the page the \$14.106 must be read with the minus figure of \$4.060m, because that will be a carryover to next year. The final figure will be \$10.046m. The variation is quite small. The two figures are a product of the way in which the accounting system works.

Dr EDWARDS: At page 722 reference is made to the budgets of the Town Planning Appeal Committee and the Town Planning Appeal Tribunal. What does the Minister have in mind for both bodies?

Mr KIERATH: I have appointed an officer to review both appeals systems. However, I have not made an announcement in that regard. Because of my reputation in the workers' compensation arena - others might say something different - the lawyers are rather keen to improve the operations of the tribunal. They have approached me regarding the mediation provisions which, I understand, are working very well. Nine of the first 11 cases were resolved by mediation in three hours, which is outstanding. In the past that would take about a year, so the results are very good. That could take some of the heat out of the review because if the procedures have been changed, we will not seek to make so much structural change. I think the Town Planning Appeal Tribunal needs to undertake some major change, and I have encouraged it to take the mediation path.

I do not envisage a lot of change to the Town Planning Appeal Committee. Perhaps we could formalise the committee structure a little more. My view is that perhaps the Minister should delegate responsibility on a day to day basis to consider significant issues but with power to recall. That is a broad overview of my thoughts now. I have tried not to do anything to restrict a review of the two operations because it should be factual and at arm's length.

[1.40 pm]

Dr EDWARDS: Will more people go to the tribunal once they know that the mediation process is working? Presumably it will be cheaper.

Mr KIERATH: Already the figures have doubled. In two months we have dealt with half the number of last year's applications. Obviously the word is starting to get around, and a swag of people who would otherwise have gone to the Minister, are going through the process.

Division 53: Heritage Council of Western Australia, \$2 946 000 -

[Mr Johnson, Chairman.]

[Mr Kierath, Minister for Heritage.]

[Mr I.H. Baxter, Director.]

[Mr E. Monroe, Manager, Corporate Services.]

Ms McHALE: In the policy statement prior to the last election, and subsequently in the Governor's speech, reference was made to an additional allocation of \$4m over the next four years to enable community groups and local government to reserve heritage. Where is that money in the 1997-98 Budget and forward estimates?

Mr KIERATH: There is \$1m. The heritage grant program was announced and applications close on Friday, 4 July.

Ms McHALE: Can you take me to the figures in the budget papers?

Mr BAXTER: Page 681 refers to this matter under grants, subsidies and transfer payments in the heritage grant item with an allocation of \$1.725m. That includes the \$1m for the next financial year. This matter also includes the national estates grants program. Of course, the substantial reduction in the national estates grants program is also reflected in the figure.

Ms McHALE: So the real increase is \$760 000 because of the effect of the federal Government cutback?

Mr BAXTER: Yes. A substantial cut back was made to the NEGP to all States.

Ms McHALE: So the community is not seeing \$1m added to the budget.

Mr KIERATH: We are - \$1m is added to the state budget. We would love to do something about the Federal Government's decision.

Ms McHALE: Can you take me through the forward estimates to identify the other \$3m?

Mr BAXTER: On page 480, the total budget of \$2.946m includes the \$1m for the next three years in total.

Ms McHALE: Are you saying an additional \$4m will be put in each year?

Mr BAXTER: If you compare the bottom line expenditure on page 480, it indicates \$1.782m for 1996-97. On the right, that is increased to \$2.946m. At the top of the page it can be seen that the provision is retained over the four years.

Dr EDWARDS: What cuts do you anticipate, given that the overall budget stays much the same as projected?

Mr BAXTER: I need to explain the cuts in relation to the NEGP, which covers the historic, Aboriginal and natural environments. The state component of that program was deleted for all States. The historic component, the primary part with which we deal, was in the order of \$250 000 to \$350 000 a year. That amount has gone, and it was supplemented and overtaken by the state government program of \$1m a year.

Dr EDWARDS: The arithmetic indicates that other aspects in your budget need to be cut to ensure that the \$1m is allocated to the purposes you specifically promised. Do you anticipate receiving more money than is outlined in the forward estimates?

Mr KIERATH: No. The other program was the only one funded by the Federal Government with some matching moneys from the State. Obviously, where programs continue, the matching money is provided. Dismantled programs do not receive matching money. The \$1m was not a replacement, but an additional commitment which would have been made even if the Federal Government had maintained its funding.

Ms McHALE: Minor reductions are found in the two supplementary programs of heritage identification and assessment, and information and promotion. I accept they are minor, but as this is not a large budget why are those programs reduced, and what will be the impact of that on service delivery?

Mr BAXTER: In terms of the identification and assessment program, whereby we go through the process of assessing places for registration, we have made a few productivity improvements by contracting out much of the work. The indications are that we will be able to conduct more assessments during the next financial year with less money. We do not anticipate winding back with this productivity increase but increasing the number of identifications and assessments performed in the financial year.

Ms McHALE: Will that appear under services and contracts?

Mr BAXTER: That is correct.

Ms McHALE: That has reduced from \$716 000 to \$655 000.

Mr BAXTER: We went through a tendering process. We have done two things: First, we streamlined our assessment requirements in the amount of information to be incorporated in assessments. We did a review of that in the current financial year. Therefore, the amount of documentation required to complete an assessment has been reduced, which had an effect on the cost of consultancy. Second, we grouped consultancies into geographic locations to minimise travel and so forth, which is a significant portion of conducting assessments in this State.

Ms McHALE: The budget papers indicate the appointment of six advisers, yet the FTEs do not change. I understand from earlier discussions that they are not employees of the council, but are on independent contracts.

Mr BAXTER: Correct.

Ms McHALE: Given that you have appointed six consultants in the region, how will you manage those given that the services and contracts allocation has reduced? Will you stop using these advisers in other regions? In other words, how will you pay for six additional advisers if you have cut the vote in the area?

Mr BAXTER: It has been factored into our total budget. There will not be any discontinuation of any other part of our activity. However, in 1996-97 we made a substantial contribution to Cossack, which has been transferred to the Roebourne Shire Council. The allocation to that in 1997-98 will reduce to about \$40 000. Some savings arise through completion of activities in other areas in the budget, such as employing regional advisers.

Mrs HOLMES: Regarding the major achievements on page 485, I congratulate the Minister for the increase in places on the Heritage Register. Point four on this page indicates an ongoing encouragement of local authorities to compile their municipal inventories on heritage places. Obviously, such placement is not a statutory requirement under section 45 of the Act. What sort of ongoing encouragement is involved? What else can we do to ensure that authorities do the important job of compiling the inventory?

[1.50 pm]

Mr BAXTER: Section 45 of the Act deals with the establishment of municipal inventories. They should have been completed by now, but there was no requirement in the Act to force people to do so: It has been very much a matter of encouragement. Over the past four or five years we have provided local government authorities with approximately \$3 000 each to establish those inventories. At this stage, something like 65 per cent in 141 LGAs in the State have been completed; the rest are at various stages of progress. We are encouraging them as much as we can to complete them. Part of the role of the regional advisers is to spur them on a little and ensure they get whatever assistance is necessary to complete them.

Mrs HOLMES: I have six local authorities in my electorate. I would like to liaise with you to ensure that if any of those have not yet compiled their register, I can give them some encouragement. I would be grateful if you could let me know which authorities they are.

Mr KIERATH: I will provide that as supplementary information.

Ms McHALE: A review of the Heritage of Western Australia Act has been conducted and there have been discussions in the community about that. When will the amendments to the Act come before Parliament?

Mr KIERATH: I cannot tell the member that. Cabinet has agreed to the review of the Act and the review has joined the queue of legislation waiting for drafting time.

Ms McHALE: Have the amendments been drafted?

Mr KIERATH: No, the drafting instructions are in the process of being completed. Once the instructions are completed, they will go to the legislation committee for priority for drafting.

Ms McHALE: Last year the Minister's predecessor reported to the Estimates Committee that the average time for assessing referrals had gone from 13 days to 30 days. What has been the average time this financial year for assessing referrals for inclusion in the registry?

Mr BAXTER: I do not have that information at my fingertips. It will be reported on in the annual report.

Ms McHALE: When will the annual report come out?

Mr KIERATH: Soon after 30 June.

Ms McHALE: The budget papers do not give any indication of the amount of money going from the Lotteries Commission to Heritage. Are you able to give some indication of that figure?

Mr KIERATH: The Lotteries Commission is not a consolidated fund agency.

Ms McHALE: That does not go to the commission for allocation?

Mr BAXTER: No.

Ms McHALE: Page 484 of the Budget Statements on the units and measures of professional education indicates that in 1996-97 three seminars were held at a cost of \$79 000. Did the three seminars cost that amount or was a raft of other things included?

Mr BAXTER: There was a raft of other things on which we have not reported. The seminars do not cost that much.

Ms McHALE: We can assume that next year's seminars will not cost \$25 000 each to run?

Mr BAXTER: Yes.

Division 54: National Trust of Australia (Western Australia), \$541 000 -

[Mr Johnson, Chairman.]

[Mr Kierath, Minister for Heritage.]

[Mr I.H. Baxter, Director, Heritage Council of WA.]

Dr EDWARDS: The National Trust under its charter of looking after national heritage has done a lot of work developing covenants that could be placed on private land for the protection of conservation. They have been looked at favourably by the Gordon Reid Foundation, but they are running into some glitches with government. Is the Minister aware of the problem? Can he do anything to help resolve the situation?

Mr KIERATH: I am aware of it; I am supportive of it; and I am progressing it with the National Trust.

Ms McHALE: The budget for the National Trust has increased by \$140 000 for 1997-98. Most of that seems to be in gross capital services. What is the proposal for spending that money?

Mr KIERATH: Page 657 indicates under new works the allocation for areas such as computer hardware and software. The biggest items are restoration works and the wardens' cottages at Ellenbrook, for which the allocations are \$110 000 and \$120 000. The other items are listed. That accounts for the increase the member is talking about.

Ms McHALE: For what specifically are the restoration works?

Mr BAXTER: The National Trust has a number of properties. It has a rolling program. It will be a percentage of those on its program.

Ms McHALE: How many of the 50 heritage places referred to on page 656 as being identified were put on the state register?

Mr KIERATH: I will provide that as supplementary information.

Committee adjourned at 1.58 pm
