

# Legislative Council

Thursday, 7 April 1994

**THE PRESIDENT** (Hon Clive Griffiths) took the Chair at 2.30 pm, and read prayers.

## MOTION - URGENCY

*Newton, Mark, Consultant to Government on Stateships Appointment*

**THE PRESIDENT** (Hon Clive Griffiths): I have received the following letter -

The Hon Clive Griffiths MLC  
President  
Legislative Council  
7th April 1994

Dear Mr President,

At today's sitting, it is my intention to move under SO 72 that this House, at its rising adjourn until 9.00 am on December 25 1994 in order to discuss the circumstances of the engagement of a consultant, Mr Mark Newton, by the Minister for Transport, and the role Mr Newton has consequently played as a consultant on Stateships.

Yours sincerely

John Halden MLC

The member will require the support of four members in order to move the motion.

[At least four members rose in their places.]

**HON JOHN HALDEN** (South Metropolitan - Leader of the Opposition) [2.33 pm]: I move -

That the House at its rising adjourn until 9.00 am on 25 December 1994.

The Opposition is of the view that the Minister for Transport's appointment of Mr Mark Newton as a consultant on the future of Stateships and the consequent actions of Mr Newton and the Minister give rise to a potential conflict of interest. The Minister has handled the appointment of Mr Newton in an incompetent and cavalier manner, and generally this again proves that Mr Charlton is not in control of his portfolio responsibilities.

**Hon P.R. Lightfoot**: He is one of the best Ministers we have. What are you talking about?

**Hon JOHN HALDEN**: The member's nose is growing. The Minister is up to his eyeballs in a cosy relationship with Mr Newton - a relationship which no Minister of the Crown should be in.

**Hon Murray Montgomery**: What about your relationship with the unions?

**Hon JOHN HALDEN**: That was a challenging interjection! Mugged by a toothless rat!

**Hon N.F. Moore**: You are reading your speech very well.

**Hon JOHN HALDEN**: Thank you. This is an important matter and I intend to deal with it as such.

The Minister for Transport advised the public on 18 January this year that the Managing Director of Asiaworld Shipping Services Ltd, Mr Mark Newton, had been appointed as a temporary consultant to the Government on Stateships. The Minister said that Mr Newton had wide experience in all forms of shipping and a proven track record in the highly commercial world of both liner services and charter operations. He had one of the biggest and more successful agency businesses in Australia and his contribution to adopting the best strategy for the future development of Stateships would be considerable.

Is that true? There is no doubt that Mr Newton is a principal of Asiaworld Shipping Services Ltd. That company commenced operations on 30 September 1991. It has a nominal value of \$2 000. It is a shipping agency. It is not a ship owner or ship operator. It employs 12 staff, including active directors. As at 30 June 1992, the company had a net worth of minus \$276 000.86. I do not know that that necessarily equates with the Minister's statement that this man has wide experience in all forms of shipping and a proven track record, and that his company is one of the biggest and more successful shipping agencies. I guess we can be extravagant with the facts in regard to press releases.

Currently, there are well over 100 shipping consultants in Australia, but the Minister did not call tenders for this position to advise him about this particularly important matter. I think most members in this House would agree that a consultant must surely be completely divorced from the day to day running of any shipping company. Of course, Mr Newton is not. He is a shipping agent who looks for work transporting cargo throughout the world and in fact competes directly against Stateships. The Minister did not seek tenders. He did not seek expressions of interest. He engaged Mr Newton on a short term consultancy basis, a device used by the Minister to avoid the necessity of advertising the position and going through the due tendering processes.

The conflict of interest arises - not only arises, but is highlighted - by the Minister's remarks in the *Daily Commercial News* of 5 April, where he states that in a hypothetical sense, he does not see any potential conflict of interest if Asiaworld Shipping happened to form part of a consortium of operators that could eventually run Stateships.

Hon E.J. Charlton: Where do I say that?

Hon JOHN HALDEN: In the *Daily Commercial News* of 5 April.

I want members to think about an arrangement whereby a consultant is given the opportunity to be a bidder in the process, and that is acceptable. I draw members' attention to a similar situation that was referred to by the royal commission and involved one L.R. Connell. The royal commission said that arrangement was grossly improper. This Minister is saying by way of implication that he will support a grossly improper arrangement. The parallels are clearly there. This Minister is going down the same road that the then Premier went down in 1983.

Hon E.J. Charlton: Which one?

Hon JOHN HALDEN: Burke.

Hon E.J. Charlton: What about Dowding and Lawrence?

Hon JOHN HALDEN: Any time the Minister is ready, we will continue. The Minister is proposing to go down the same road that the royal commission said was grossly improper. No-one in this place who has the slightest degree of appreciation of the ethics of this situation could suggest that a consultant to the Minister who has access to confidential information should also be allowed, and be given the blessing of the Minister, to be involved in a tender process in regard to the same area.

Hon E.J. Charlton: Has he?

Hon JOHN HALDEN: That is the only difference, my friend. I will refer to that. I do not go too far. The Minister has said publicly that he will support that proposal. Neither I nor any other Opposition member said that. Of course, no other Minister would say that either; they would not be so stupid because it is grossly improper even to suggest that a Minister would consider supporting that position.

Does Mr Newton's consultancy agreement refer to the likelihood of putting together a consortium? That is what he has been saying in Asia. Does the agreement refer to that?

Hon E.J. Charlton: You need to qualify your remarks. You're quoting what someone else said that he said. At least get that right.

Hon JOHN HALDEN: The Minister should wait until I reach the end of my speech.

Hon E.J. Charlton: It is an important point.

Hon JOHN HALDEN: Does the consultancy agreement ask him to put together a proposal? Does it suggest a new proposal? No it does not.

Hon E.J. Charlton: That is right.

Hon JOHN HALDEN: Why do we need a new consortium? Surely it would be ethical to look at the proposals and assess their potential before going to the suggestion that a consortium may be needed. Is it necessary to develop a consortium of the 12 original proposals? Two proposals involved the total or partial purchase of Stateships. Price Waterhouse Urwick reported that one of the proposals was appealing because it provided "a net result to the Western Australian Government, in addition to the savings from the implementation of the Price Waterhouse Urwick recommendation and a further \$15m in savings is forecast over seven years when compared with the 1992-93 Stateships result". Therefore, one tenderer offered a significant improvement. What is the Minister's consultant doing? He is trying to put together a consortium.

Hon E.J. Charlton: Will you say that outside the Parliament?

Hon JOHN HALDEN: I am making a speech in here.

Hon E.J. Charlton: No, because you're a gutless wonder!

*Withdrawal of Remark*

The PRESIDENT: Order! The Minister cannot use that language.

Hon E.J. Charlton: Can't I?

The PRESIDENT: No.

Hon E.J. Charlton: Do you want me to withdraw, Mr President?

The PRESIDENT: Yes.

Hon E.J. CHARLTON: I have no problem with withdrawing, Mr President.

Hon T.G. Butler: Then apologise.

Hon E.J. Charlton: Never.

The PRESIDENT: Order!

*Debate Resumed*

Hon JOHN HALDEN: I will take the abuse from the member, but I understand that we must observe the rules of the House, Mr President. I will simply go through the facts as presented by Price Waterhouse Urwick.

Hon E.J. Charlton: Like with the Westrail report?

Hon P.R. Lightfoot: The Minister is saying that you are using the yellow cloak of parliamentary privilege to malign somebody and that you would not say it outside the House!

Hon JOHN HALDEN: I have already made the comments outside the House. It is reported in the commercial and daily newspapers. The member should not go on like the fool he is.

*Withdrawal of Remark*

The PRESIDENT: Order! One indiscretion leads to another. The member cannot call another member a fool.

Hon JOHN HALDEN: Can I not?

The PRESIDENT: No.

Hon JOHN HALDEN: Then I will not.

The PRESIDENT: Then the member will withdraw.

Hon JOHN HALDEN: I withdraw.

The PRESIDENT: If members stopped worrying about what is said or should be said elsewhere and concentrated on what is said properly in this place, we would have fewer problems.

*Debate Resumed*

Hon JOHN HALDEN: We must consider what is proposed in the tender, as we should know exactly what is going on in this matter. One should not be diverted to entertaining a round of stupid interjections. Let us consider the tender: The company, as outlined in the report, would take over the operation of Stateships in its entirety. It would purchase all assets of Stateships, including containers, and any obligations in relation to those containers. It would agree to purchase the office building in Fremantle, and subcharter all the vehicles presently in the fleet. It indicates that the present level of service would be maintained to the north west of the State and to South East Asia. The report indicates that the Government would divest its role as a ship owner and operator and the Government would carry no trading risk. The need for a subsidy is clearly visible: The company wants \$10.5m as a total annual subsidy on a seven year contract, with regard to increases in the consumer price index.

Hon E.J. Charlton: It is not bad, is it?

Hon JOHN HALDEN: It is a very good deal, and I do not know why the Minister is not pursuing it.

Hon E.J. Charlton: I am a mean sod, and I want to do better.

The PRESIDENT: Order! The Minister must stop his interjections. As I have often said in this place, members do not have to like what members say, or believe it; however, they must listen.

Hon JOHN HALDEN: This proposal would provide the Government with a cost reduction of \$6.14m over the operations of Stateships in 1992-93. Interestingly, a second proposal was submitted by the well known transport company, the Buckeridge group, a company also known for its financial support of the Liberal Party.

Hon N.F. Moore: And for the number of jobs it creates.

Hon JOHN HALDEN: Is that company to be part of the consortium? The Price Waterhouse Urwick recommendation on this proposal is that it involves a cost to the Government similar to the current operation with the up-side of producing profits based on achieving savings providing a net result to the Government. The report indicated that the company's ability to achieve savings was questionable because the company had little maritime experience.

A conflict of interest may well arise, and the Minister has said that he would condone that. Mr Newton cannot be appointed as a consultant and then his company be allowed to become a stakeholder in the operation. Firstly, he has a commercial advantage over other people in the tendering process because of his access to information unavailable to others. Secondly, he has access to all the tender bids. Thirdly, he has access to the Minister, by virtue of his consultancy, on a much more regular basis than competitors are likely to have. He has the ability to influence the outcome by virtue of being the consultant. Therein lies the conflict of interest. For the Minister to suggest that a conflict of interest will not arise in that situation can best be described as naive.

Hon E.J. Charlton interjected.

Hon JOHN HALDEN: Just a moment; the Minister should wait until I have explained the matter.

Mr Newton's status as a consultant and a stakeholder cannot be allowed to continue as this would create the conflict of interest to which I have alluded. Did the Minister know when he appointed Mr Newton to the consultancy that Mr Newton had an interest in taking over Stateships either totally or partially? Out of the mouth of the Minister, the answer is yes.

Hon E.J. Charlton: You said.

Hon JOHN HALDEN: No, the Minister said it. I can refer the Minister to his answer. He knew that Mr Newton wanted to take over Stateships either totally or partially. The Minister then gave him the consultancy, and he is now saying publicly that if Mr Newton and his company want to be part of a consortium to take over Stateships, that is acceptable. However, it is not acceptable. The job of consultant was not advertised, despite the qualifications of at least 100 people around the country to do the job. The Minister appointed a person who clearly has a vested interest in the matter by virtue of his company. This issue is becoming a problem to the Minister and, more importantly, to the Government. Any member opposite who prides himself or herself on being a business person would not suggest that this relationship should be tolerated. Mr Donaldson would not tolerate that situation in local government. I do not expect an answer from the member, but he would not do it. I would not accept it in a whole range of other activities.

Hon E.J. Charlton: Not even in petitions?

Hon JOHN HALDEN: Not even in petitions, my friend. Whenever the Minister for Transport wants to debate that he can bring it up, but the Minister wants to be careful.

The PRESIDENT: Order!

Hon JOHN HALDEN: I will return to my speech, Mr President, it will be easier.

Hon N.F. Moore: It is only half accurate.

Hon JOHN HALDEN: The Minister has also been cavalier in his responses to this House. When the Minister was asked whether Mr Newton had been given access to the proposal for Stateships' privatisation that had been commissioned by other companies, he responded by saying, "I am not aware of that." How did the Minister expect Mr Newton to undertake the terms of his consultancy - that is, a consultancy between Mr Newton and the Minister, a document the Minister signed - when the terms of that consultancy were to evaluate the proposals resulting from the recent call for expressions of interest in privatising all or part of Stateships' services? The Minister did not even know what was in the contract. Is that the sort of Minister we are dealing with, or was he just avoiding the need to answer appropriately in this House, as he has done repeatedly in the 18 months he has been a Minister? That is not the highlight of this Minister's evasion of simple questions in this House. In another response to a question about Mr Newton's consultancy, the Minister told the House, "Mr Newton's consultancy is not in addition to the work done by Price Waterhouse Urwick. His consultancy is a totally different one which has nothing to do with the assessment of Stateships."

Hon E.J. Charlton: It has nothing to do with the assessment by Price Waterhouse.

Hon JOHN HALDEN: The Minister said it had nothing to do with the assessment of Stateships.

Hon E.J. Charlton: Hon John Halden is a born blusterer. He is trying to mislead everyone; that is why he gets everyone into trouble all the time.

Hon JOHN HALDEN: The Minister for Transport gets himself into enough trouble.

Hon E.J. Charlton: Westrail wants the member's skin.

Hon JOHN HALDEN: The agreement, which the Minister signed, was to assess the evaluation of proposals resulting from the recent call for expressions of interest in providing all or part of Stateships' services. What was Price Waterhouse Urwick commissioned to do? It was to undertake an initial evaluation of tenders with the aim of providing a brief review of the operations of the financial and contractual aspects of each of the proposals, and based on this to determine the likely nature and scope of the detailed evaluation necessary. Twelve proposals were referred. Mr Stuart Hicks advised tenderers on 1 March 1994 that Mr Charlton had appointed consultants Price Waterhouse Urwick to undertake a preliminary evaluation of submissions received from the private sector. The Minister has yet again gone down the path he went down yesterday in regard to giving to this House in question time information that is not accurate.

I want the House to be clear about this matter. The Minister said, "Mr Newton's consultancy is not in addition to the work done by Price Waterhouse Urwick. His consultancy is a totally different one which has nothing to do with the assessment of Stateships."

Hon E.J. Charlton: By Price Waterhouse, you boofhead.

Hon JOHN HALDEN: Quite clearly the contract has everything to do with that. Where does the concept of the consortium start?

Hon E.J. Charlton: Why does Hon John Halden keep looking up at the Press?

Hon JOHN HALDEN: I was looking at the time. Is that all right with the Minister?

Hon E.J. Charlton: Can you tell the time?

Hon JOHN HALDEN: It arises with Mr Newton going to Singapore and putting forward that proposal. That proposal brought a complaint to Stateships about Mr Newton. The terms of the complaint were that Mr Newton told a shipping agency that he would recommend to the Minister to reissue a tender inviting interested parties to participate in the privatisation of Stateships. He said the tender would deliberately give a very short time for submissions and in his view parties that had not participated in the previous issue would not be able to participate this time owing to the lack of time. In his opinion the 12 parties who had previously submitted would probably want to participate by resubmitting their bids. He said that the committee would then try forming a coalition between two or three of the participating parties and ask their group or consortium to operate Stateships. Mr Newton went on to say that none of the 12 parties would be able to look after Stateships' interests.

The consultant is already making those statements while a body in Western Australia has been set up by the Government to look at the evaluation of those 12 proposals. Mr Newton, the consultant to the Minister, is saying they will not work and that he will be recommending to the Minister a new set of proposals to formulate a consortium. That is a consortium the Minister has said he would agree to; a consortium that could even include Mr Newton. Mr Newton was engaged to assist with the evaluation of the proposals resulting from the recent call for expressions of interest providing for the full or partial takeover of the State shipping service. Mr Newton's consultancy agreement contained no mention of creating new proposals. The Minister knows he has been doing that external to the terms of the consultancy agreement. The Minister has documentation to substantiate all the comments I have made to this point; I have that documentation.

Since this matter was raised I have had a number of uncorroborated reports that Mr Newton was in Singapore and in South East Asia attempting to become a stakeholder in that proposed consortium. I know the Minister's sensitivity, and I will make it clear they are uncorroborated reports. People involved in the industry are not prepared to put their names to a document to say that, but they are ringing me and telling me that, and Mr Newton is going to Singapore and doing that. So, Mr Newton is out there merrily doing whatever it is he is doing for the Minister for Transport.

Mr Newton's action is bad enough because it is outside his terms of employment, but for a Minister of the Crown, the Minister for Transport, to say that he supports those comments, that he does not see any potential conflict of interest if Asiaworld Shipping happens to form part of this consortium that Mr Newton is seemingly trying to put together, clearly suggests a conflict of interest that this Government must not be allowed to get itself into or allow Mr Newton to get into. At the same time we must remember that for the period of the consultancy from 1 February to 30 June Mr Newton can pick up in consultancy fees nearly \$100 000 from the State. That is to provide the Minister with independent commercial advice about the future of Stateships, a proposal that could well see Mr Newton as a stakeholder in the proposal. What does the Minister of the Crown say? He says that is acceptable. Minister, it is not acceptable. It never has been, and the royal commission made that very clear.

Hon E.J. Charlton: Okay, John, fine.

Hon JOHN HALDEN: The Minister has not got the nod and the wink about the impropriety of that.

Hon E.J. Charlton: I will be looking for Hon John Halden's recommendations on how we should do that, how we should get it right. The member has such a very good record on accountability and acceptability!

Hon JOHN HALDEN: Mr Newton indicated to the Minister his interest in taking over total or partial control of Stateships. He seemingly advised an agency in Singapore of the proposal to form a consortium to take over Stateships, an interest that he would seemingly be a stakeholder in and receive benefit from. But he has also got the information about the 12 bidders who currently exist.

Hon E.J. Charlton: No bids in.

Hon JOHN HALDEN: Well, the proposals. Those 12 people think they are bids. They want to get their share of this cake. How does the Minister propose, without accepting Mr Newton's advice to reopen tenders, to even allow Asiaworld Shipping Services to become part of any consortium to run Stateships, bearing in mind the contents of his advertisement in *The West Australian* which was Hon Eric Charlton's proposal to operate part or all of the ships of the Western Australian Coastal Shipping Commission? In that advertisement, the Minister said -

The invitation for proposals remains open until the close of business on 31 December 1993. Submissions received after that date will be excluded from consideration.

The only way one could do that would be to do what Mr Newton is suggesting in Singapore. He advised the Minister to go down a different path; that is, to reopen the tendering process with a short time response for those who are interested.

We have a consultant engaged by the Government, with the potential to earn nearly \$100 000 during the period of his consultancy, provided with all the relevant information about the tender bids and travelling the world at the expense of the taxpayers.

Hon E.J. Charlton: No.

Hon JOHN HALDEN: He is paid for by the taxpayers. Who is paying him the \$115 an hour?

Hon E.J. Charlton: But not once have you recognised that all his travelling and other expenses, which you have always intentionally left out, have to come out of that amount.

Hon JOHN HALDEN: But who is paying the figure?

Hon E.J. Charlton: We are, yes.

Hon JOHN HALDEN: The taxpayer?

Hon E.J. Charlton: Yes.

Hon JOHN HALDEN: He is travelling the world at the expense of the taxpayer attempting to put together a consortium with the likelihood of him as a stakeholder to take over Stateships at the same time that the Minister is saying that, if that was to happen, he would support that.

Another matter needs to be discussed in regard to the consultancy agreement; that is, the issue of confidentiality. There is a confidentiality clause in the agreement. How could that confidentiality be preserved if Mr Newton were to change status, as the Minister said he was happy to accept, from that of consultant to stakeholder? It would be an impossibility because he would have had access to a variety of information that as a tenderer or one making a proposal in this matter nobody else would have had access to. He would not be able to live up to his obligations of confidentiality if he changed from being a consultant to being a stakeholder.

Hon P.R. Lightfoot: That is a wild, inaccurate guess when you say that. Why wouldn't the accountants, the auditors and top management staff have access to exactly the same thing as Mr Newton had access to?

Hon JOHN HALDEN: Does the member mean that this 12 person business - one of the biggest in this country, as the Minister described it, in which three active directors are involved and one employee is the wife of one of the directors - could actually divorce Mr Newton from the consideration of taking a stake in Stateships? I do not know how naive the member is but he is starting to become like the Minister for Transport.

Hon P.R. Lightfoot: He declares his conflict. What's wrong with that? If there is one, he declares it.

Hon JOHN HALDEN: That will be very satisfying to the other 12 bidders.

Hon P.R. Lightfoot: This is a monument to your lack of business understanding.

The PRESIDENT: Order!

Hon JOHN HALDEN: Would Hon Ross Lightfoot support this sort of arrangement?

Hon P.R. Lightfoot: Yes. I see nothing wrong, provided he declares his interest.

Hon JOHN HALDEN: Therefore, by implication, he is saying that in regard to L.R. Connell and the situation in 1983 the royal commissioners were wrong.

The PRESIDENT: Order!

Hon JOHN HALDEN: Because that is the natural progression that is reached.

The PRESIDENT: Order! If members do not come to order when I call for order I will stop the debate. It is out and out defiance of the Chair. I will not ask the member speaking or Hon Ross Lightfoot again to cut it out. I suggest that they heed my words.

Hon P.R. Lightfoot: Mr President, I did not hear your call for order. I apologise, Sir.

Hon JOHN HALDEN: Is the confidentiality of that agreement being observed at the moment? There was another letter addressed to Stateships from a Singapore agency which had met Mr Newton. It stated -

I am very surprised that a Government appointed consultant could disclose such privileged information so freely to a third party without any regard for the consequences of doing so.

In spite of what Hon Ross Lightfoot may say, in this situation the issue of confidentiality and the role that Mr Newton may play if his status were to change needs to be questioned. As well, there needs to be a very clear and accurate analysis of what he is saying to people in Asia at the moment, and what he is saying to people in Fremantle at the moment. Every report that I have heard - I have heard a number - suggests that he is being somewhat liberal in regard to the information that he has and also somewhat distorting; but that is his wont.

Having said that, I turn now to the matter of L.R. Connell because it does have direct parallels with this matter. He was acting as an agent for the vendor, Bond Corporation, and also receiving a fee from the Government for advising it on the purchase of Northern Mining.

#### *Point of Order*

Hon P.R. LIGHTFOOT: I do not know where the member is going with this, but I remind him through you, Mr President, that there is a long running court case involving Mr L.R. Connell. No matter what I or anyone thinks about that, the member is probably on thin ice. I suggest that he needs to be very careful or what he is about to say may be sub judice.

The PRESIDENT: Order! There is no point of order.

#### *Debate Resumed*

Hon JOHN HALDEN: I intend to do no more than quote from the royal commission report. I do not know whether that is sub judice. If it is, someone ought to tell me.

The PRESIDENT: Order! When it is sub judice, I will tell the member.

Hon JOHN HALDEN: I appreciate that, Mr President. As I said, the royal commission

found that in that particular practice of acting for the vendor and for the Government in purchasing a common item the then Premier acted grossly improperly.

Is there a difference in this matter? There is, and the Minister pointed it out. The difference is that at this point Mr Newton is not a formal bidder in the process; but the Minister said - it is in the newspaper - that if he were to be a bidder, that would be acceptable. He accepts that someone can be a consultant on one hand and, on the other hand, be a bidder in the process. That is not acceptable.

Hon E.J. Charlton: Do you want to spell out a bit more the relationship between Mr Connell and the previous Premier to clarify it more specifically?

Hon JOHN HALDEN: The Minister might want to do it in his time.

Hon E.J. Charlton: Would you be interested in doing that?

Hon JOHN HALDEN: I am quite happy to do it. I am making a point. If the Minister wants to make a cheap political point, that is up to him.

Hon E.J. Charlton: I was interested in what he had to say.

Hon T.G. Butler: Can you imagine the Minister's outrage if this had happened 16 months ago?

Hon JOHN HALDEN: We would have had the Minister for Health sanctimoniously lecturing to us. However, he is much quieter these days.

Hon T.G. Butler: And Hon Ross Lightfoot as well.

The PRESIDENT: Order! Eventually we may have to vote on this. One of the prerequisites is to be in the Chamber. If members do not stop interjecting, several will not be in the Chamber.

Hon JOHN HALDEN: The difference is that Mr Newton is not yet involved in a consortium that has put forward a proposal to govern. There is suggestion that that is going on now. The Minister has stated on public record that if he is doing that, he has an interest in doing it. He has told the Minister that, and indications are that he is doing it. The Minister states that if he did do it, it is perfectly acceptable. It is not perfectly acceptable.

Hon P.R. Lightfoot: If he declares his interest, of course it is.

Hon JOHN HALDEN: It is not acceptable, and the member knows it. If the member wants to talk to the 12 people who put the bids in, I will come with him and I will get a much warmer reception than he will.

Hon P.R. Lightfoot: The member is a business tadpole. He has yet to develop into anything.

The PRESIDENT: Order! I suggest that the Government Whip take control of the members, otherwise one of them will not be here in about 30 seconds. Hon John Halden should direct his comments to the Chair and stop having discussions with anyone.

Hon JOHN HALDEN: The Minister's statements in the *Daily Commercial News* show that he is trying to defend the indefensible, if he continues to support that sort of involvement by Mr Newton. It is clear that Mr Newton's consultancy needs to be controlled. It needs to be investigated in a far more appropriate and thorough way than the Minister has done. It is appropriate for the Minister, having listened to what I have had to say and having had correspondence on this matter - and I am sure his advisers would tell him that there is disquiet in the shipping community about this sort of activity that Mr Newton is involved in - to take control of what is happening and not give tacit support to what will happen regarding a consortium. It is not appropriate, in spite of what others may have said today by way of interjection, to suggest that by declaring an interest one can be absolved of conflict of interest in this matter. There is a perception that if someone is receiving nearly \$100 000 of taxpayers' money to do a job, he cannot do that job and then be involved in assessing himself or others. To put people in that sort of situation - which the Minister says is acceptable - is totally unacceptable. It never has

been and it never will be, no matter what people say about declaring one's vested interests.

The issues of 1983 have been raised and it is interesting that we are debating the Official Corruption Commission legislation today. This is an appropriate place and time to look at these matters. If the Minister is not prepared to investigate and take control of this matter and his own statements to reflect ethical considerations, one could say that these matters fall within the investigative jurisdiction of that commission. This matter could be referred either collectively or individually to the existing body. One cannot have this situation. It would be like combining the roles of the Parliament and the judiciary and saying that we will make laws here and then interpret and comment on those laws in the way the High Court does. That situation should not exist. The Minister states he is prepared to support that proposal. It cannot be supported. There needs to be clear lines of accountability in these matters.

Mr Newton told the Minister of his interest in taking over part or all of Stateships. Mr Newton has on uncorroborated evidence and on written correspondence with Stateships been attempting to put together a consortium. That would suggest he is a stakeholder. While he is putting that consortium together in South East Asia, the Minister is saying in the press in Perth that if he were to do that he would accept that his consultant or consultant's business could become a stakeholder. That is not ethical. A Minister of the Crown should not be advocating that situation. It is not a fair process for those other 12 tenderers who have been involved. If any of those considerations, except the first, is true, then the Minister has seriously to question this consultancy and its future. The consultancy itself must be far more defined than what it is. The Minister must make it clear that Mr Newton will be a consultant and that at no time in the future will he be anything more than a consultant to the Government. He may not even be a stakeholder, but he could very quickly go from being a consultant to the Government to being a consultant to one of those 12 bidders or a new bidder, or a consultant to a new consortium. Those sorts of things need to be ruled out. This arrangement should not be allowed to exist because if it does then the people of Western Australia will not see that the \$100 000 is being well spent. As occurred in 1983 with Northern Mining, the public will consider that the Government was a joke and had been conned. That should not happen. It should not be allowed to happen. The Minister needs to define this consultancy and the future of Mr Newton both in terms of the consultancy and Mr Newton's future involvement in the sale of Stateships if that is to proceed. I support the motion.

**HON KIM CHANCE** (Agricultural) [3.19 pm]: It has been established over the last few years that one of the things that the Parliament cannot endure is being deceived. It is unreasonable to expect the Parliament to accept deception and half truths. I am not suggesting that the Minister has deliberately misled the House. However, getting accurate answers from the Minister on this question has been rather akin to pulling teeth. I want the House to be clear about what has been revealed in this process. Mr Newton is on the public payroll, placed there by a device engineered by the Minister designed to avoid the need to tender for the consultancy position that Mr Newton enjoys. While Mr Newton is on the public payroll he has access to proposals which have been submitted in good faith by competing private businesses. These proposals were described as tenders in the report by Price Waterhouse, the firm engaged to scrutinise them. It is alleged that Mr Newton used his favoured role to position himself and his company more favourably than other prospective tenderers. That has not been denied by the Minister. The Minister has gone so far as to confirm that position.

**Hon E.J. Charlton:** With your background you should know better.

**Hon KIM CHANCE:** The Minister considers that the basis for that allegation.

**Hon E.J. Charlton:** You are wrong. Before you make a dill of yourself sit down.

**Hon KIM CHANCE:** The Minister has accepted he has no problem with Mr Newton acting as part of the conglomerate to take over Stateships. The Minister has clearly acknowledged that Mr Newton has access to that information. He has also acknowledged

that Mr Newton is on the State payroll. How far do we have to go before we can say this is a clear conflict of interest? It is an example of insider trading that I thought we had got rid of. It is an example of commercial practice and practice between the commercial world and the world of Government which I thought members in this House had rejected.

The Leader of the Opposition asked the Minister to seek copies of information which the Opposition knows is held by Stateships in the form of reports to Stateships from its agents in Asia. The Opposition knows the reports are there and it would be a simple matter for the Minister to access not only those reports, but also Stateships' replies to the agents. The Opposition told the Minister they were there and it had reason to expect the Minister to seek that information. It was an opportunity for him to access the facts which the Opposition is aware of. I do not think the Leader of the Opposition could have been any fairer than that.

If the Minister, having accessed that information, still did not believe what he read - I accept the possibility that may be the case because the fact there are reports in Stateships does not mean they are true and the Minister has to accept that they are true - it is incumbent upon him, as a responsible Minister, to check the facts. If he looks at those allegations which were made by Stateships' agents in Asia and reaches the conclusion that they are a load of rubbish it is his task as the Minister to prove it is a load of rubbish. He should satisfy himself that these serious allegations which involve nobody else but the consultant, personally appointed by the Minister, are investigated. The Minister actually employed a device to appoint Mr Newton which got around the requirement to go out to tender; he employed Mr Newton on a two month contract. The Minister had the ability to order an investigation if he did not like what he saw. If the Minister does that now the Opposition will be happy.

The Opposition is not trying to run the Minister into a corner that he cannot get out of. It wants an assurance from the Minister that the appointment of this consultant and the consultant's actions in Asia are proper. The Opposition is not saying that the Minister has acted in a way that would require he be discharged from his post. It is simply saying that it has been alleged the consultant he employed is carrying on in a manner from which the Minister should dissociate himself.

If an investigation has been carried out the Opposition has not had the benefit of the results of it. When the Minister was challenged to look at the information all the Minister said in this place was that he had spoken to Mr Newton, and surprise, surprise, he denied it. It is not satisfactory. It may not be deception but it most certainly is a half truth.

Hon E.J. Charlton: Isn't he allowed to have an opinion?

Hon KIM CHANCE: No, I do not like his opinion because it is an inadequate response to what the Minister should have done. By all means the Minister should have spoken to him. It was a good idea.

Hon E.J. Charlton: You and I could go to Singapore and check it out.

Hon KIM CHANCE: The Minister should have followed it through and checked the information that was available to him in Stateships - it is far more available to him than it is to the Opposition. If he did that, he has not told the Opposition about it. It raises a sinister point, but I will not explore that avenue now.

If the Minister did look at the information Stateships had and then told the Opposition what Mr Newton told him it would have been a problem because it may have been a reason to conceal something that happened in Stateships. I am not suggesting that is what happened. The Minister looked at one side of the story; he did not want to know what the other side of it was. He came back into this place and told the House that he had spoken to Mr Newton and he had denied the allegations. That really is reassuring! Until that time there was no real reason to tie the Minister to Mr Newton's actions.

Surely any responsible Minister having been so closely associated with Mr Newton's appointment would want to know the whole story. In that matter, the Minister has let this House down. Whether the Minister believed the allegations or not, it was in his interest

and the public interest to get to the bottom of it. It is not a task which would have taken hours of human labour; all he had to do was ring Stateships. No such investigation was made. If it was, this House never benefited from the result of it.

If the Minister found any wrongdoing or that something in the allegations proved that perhaps Mr Newton had stepped out of line, possibly way out of line, at that stage the Minister could easily distance himself from Mr Newton's actions. If he found that what Mr Newton had done was entirely proper, he could come back to this House and tell it that. The Opposition will accept that. It will then be in a position to say, "These are the facts. The Minister has undertaken an investigation." If the Opposition were happy with the way the investigation is carried out it would accept that it had done the right thing by raising a matter which some people regard as very serious. It would accept that the Minister was able to prove that there was no wrongdoing. None of that happened.

The Leader of the Opposition raised the matter of the Official Corruption Commission. It is a strange coincidence that is the major Bill this House will debate today.

Hon E.J. Charlton: Not yet, we aren't.

Hon KIM CHANCE: We will later in the day.

I have been in two minds about whether the Official Corruption Commission is an appropriate response to some of the matters raised by the royal commission, particularly after the New South Wales experience. It seems to me it is issues like this where the Opposition has been unable to get a proper response from the Minister that should be referred to a body like the Official Corruption Commission. It may be the only way that the public will have an opportunity to access the real facts. The Opposition does not deserve deception or half truths.

[Resolved, that motion be continued.]

**HON E.J. CHARLTON** (Agricultural - Minister for Transport) [3.30 pm]: The Leader of the Opposition has scampered around trying to find something to hang his hat on, so he has moved this urgency motion. The Leader of the Opposition should get his facts right so that when he makes accusations he has a sound base rather than merely putting forward suppositions or hypothetical combinations of my answers. This motion is all about making wild accusations regarding where people are, their role, and their connection to a task given to other people. The Leader of the Opposition has attempted to join all those matters together. He has based his argument on supposition and a combination of my comments. If he had gathered the facts his story would have some foundation but the whole basis of his argument is hypothetical supposition. His comments were totally inaccurate and without foundation.

He began his remarks by referring to a cosy relationship between myself and Mr Newton. That was his first mistake. I met Mr Newton at a shipping seminar to address the problem faced by Western Australian exporters trying to move their products out of the State. Western Australian exporters were paying \$400 to \$500 more for each container going to South East Asia, on a ship taking five days less time than their opposition exporters from the Eastern States. Therefore, the Western Australian exporters were missing out and as a result employment opportunities declined, and so on. I asked the Department of Transport to coordinate a shipping seminar to bring together shipping operators, agents, and business people in this State - both metropolitan and country - in order to address the problem. Among other people, Mr Newton was invited to attend the conference on sea transport. He is a person whom I consider appropriate to deal with the situation confronting the Government in relation to the future of Stateships. Price Waterhouse had undertaken an assessment of Stateships - a pre-election commitment by the Government - and made a number of recommendations. Those recommendations are being put in place. This week we will see the closure of the maintenance section of Stateships. An outside operator will take over in order to save substantial amounts of taxpayers' money. The previous Government was not interested in doing that, and that is one of the reasons that Stateships has lost upwards of \$17m each year for a number of years. That figure is the difference between the running costs and the revenue gained

from its operations. Taxpayers' money must be spent year after year. When I became Minister for Transport I decided to do something about the situation, with the support of the Government. I repeat, Price Waterhouse made recommendations and we are acting upon those recommendations.

Another commitment was that we would call for expressions of interest. As the Leader of the Opposition stated, 12 companies put forward various proposals. This is where Hon John Halden is incorrect. The proposals are expressions of interest. When Mr Newton came on board as a consultant he was looking at the operations of Stateships; its day to day workings; and how it deals with exporters and importers in Western Australia and their agents throughout Western Australia and in South East Asia. I have tried to point out that Mr Newton has not been engaged as a consultant to look at the Price Waterhouse assessment.

Hon John Halden: The contract says that. You signed the contract.

Hon E.J. CHARLTON: It is the way the member reads it. This is the way the Leader of the Opposition operates day after day. He read out the contract - it will appear in *Hansard* - but he read only one section and he combined that with my answers. He put those two aspects together to make it look as though Mr Newton was inquiring into the Price Waterhouse assessment of the options.

Hon John Halden: I did not. It is your mind, not mine.

Hon E.J. CHARLTON: I have already said that was not my answer. Hon John Halden consistently talks in this way. He did it two days ago and that is the reason *The West Australian* ran an article about 500 people leaving Westrail. Surely even the Leader of the Opposition knows that it is not possible for 500 people to leave Westrail.

Hon John Halden: It was 340 people.

Hon E.J. CHARLTON: And 150 out of head office.

Hon John Halden: You don't know and that is the problem.

Hon E.J. CHARLTON: I do not care if it is 200 people. The fact is that the Leader of the Opposition knew that his statement was inaccurate.

Hon John Halden: I did not. Don't you dare suggest that.

Hon E.J. CHARLTON: If not, he is an even bigger dill than I thought.

Hon John Halden: You are the dill running this place.

Hon E.J. CHARLTON: Today Hon John Halden has tried to weave a story together with his assertions, not the facts. He is not interested in the fact that I was the one responsible for giving Price Waterhouse the task initially. Mr Mark Newton was engaged to do a very different task. Hon John Halden chooses to say otherwise.

Hon John Halden: That is not what the consultancy contract says. It is not what you signed.

Hon E.J. CHARLTON: The member is so righteous.

Hon John Halden: I just read the contract.

Hon E.J. CHARLTON: Unless everyone acknowledges the fact that the contract with Mr Newton is to assess the operations of Stateships -

Hon John Halden: It is not! It is to assess the 12 bids.

Hon E.J. CHARLTON: It is not to do that.

Hon John Halden: Oh I see - it just says that.

Hon E.J. CHARLTON: The member insists that it says that. He should have another read of the contract so that he can practice what he will say when he reads it to the Press later. Mark Newton has nothing to do with the expressions of interest -

Hon John Halden: That is an outrageous statement. It is the most outrageous thing the Minister has said in the last few minutes.

Hon E.J. CHARLTON: Do you not like -

The DEPUTY PRESIDENT: Order!

Hon E.J. CHARLTON: I will say it once again: The assessment of the 12 proposals was to be undertaken by Price Waterhouse Urwick in the first instance, and it was. That contract ended and was taken up by representatives of Stateships, Treasury and the Department of Transport. It is an ongoing process by the Department of Transport. The relationship of Mr Mark Newton to that process is that in having those expressions of interest put forward by the private sector, he was to meet with all of the people to whom I referred earlier and to ask them whether they could operate in the likelihood that Stateships was owned and run by the private sector organisation. Another option is to keep Stateships as it is and to make changes from within.

Hon John Halden: He was telling us it would be closed within three months.

Hon E.J. CHARLTON: That is still one of the options. There are probably 50 options in between. One option could be to have someone look after the north west run of Stateships and someone else look after the South East Asia run. We could have a couple of Stateships' vessels doing the Darwin, Wyndham, Broome, South East Asia run. The vessels could be upgraded. The present ships could be sold and bigger ones brought in. We could even have a run from the east coast going to the north west and to Asia. Mark Newton's role is to talk to exporters, the agents in South East Asia and the importers in South East Asia, to see whether they are getting the right service from the agents and whether Stateships' losses are being compounded by the operation of any of the agencies. Some of the agents are a bit toey about any changes that might be made. After all, an agent is probably happy about the present situation.

Hon John Halden: Mr Newton, under his contract, was engaged to assist with the evaluation of proposals resulting from the clause in the recent expressions of interest for privatising all or part of Stateships' services. That is what the contract says.

Hon E.J. CHARLTON: The member should listen to me now.

Hon John Halden: It is your contract.

Hon E.J. CHARLTON: That is right.

Hon John Halden: You just said a minute ago that it is not right.

The DEPUTY PRESIDENT: Order!

Hon E.J. CHARLTON: Why does Hon John Halden keep trying to miss the point - or does he not want to know the facts? If one or a combination of those companies which submitted an expression of interest is successful and it takes over the operation, it will affect other people. Mr Newton is contracted to talk to all of the people about the consequences if one or a number of options were taken to change the operation of Stateships. That is where Hon John Halden and I differ in our interpretation of Mr Newton's contract.

Hon John Halden: My advice from here and South East Asia is that Mr Newton may be doing that but he is also doing other things.

Hon E.J. CHARLTON: I will come to that now. Mr Newton was hired to assess all of those people. That has not been done in the past. Why would the Government enter into an agreement with a new operator of Stateships, sell off Stateships and make a long term commitment if it did not know what the commitment would be to the exporters, importers, agents, and a whole range of people in between about a change not only of policy but also of management and direction by the new Stateships' operator?

We wanted to know whether, if the service was changed, it should be more frequent; whether we would get the same result with a lesser service; and a whole range of those situations. That is why Mark Newton was hired, and that is what he is doing. From the reports I am getting, he is doing that very well. I am very satisfied with his work at the moment. When he presents his recommendations in the final report, the Government will have to determine whether all or none of his recommendations is accepted. We will

certainly have an opinion of somebody who has spoken to a whole range of people. When the Department of Transport completes its contact with those 12 companies which put in expressions of interest in the various forms to which I referred before, the department will ascertain the position.

*Sitting suspended from 3.45 to 4.00 pm*

**[Questions without notice taken.]**

Hon E.J. CHARLTON: The Leader of the Opposition read from the contract and said that part of the consultancy was to assist with the evaluation of propositions resulting from the recently called for expressions of interest involving all or part of Stateships' services. He said that as a consequence Mr Newton would be involved in the private expressions of interest and the private shipping operation, and his work would be to assess the expressions of interest from South East Asia, the north west and so on. I must make a distinction with regard to the association with the expressions of interest. It does not involve the tenders or the expressions of interest. If that were his role, he could stay in an office in Perth assessing the tenders and talking to individual companies. He has had nothing to do with that. He has been in South East Asia, the north west, the Eastern States, Canberra and all points between, talking to exporters and a range of people associated with the State's export operation who are, or may be in future, using Stateships' services. That is his role, and it is very different from being involved with the expressions of interest. The Leader of the Opposition based his whole argument, his vitriolic comments, and damaging statements about me, the Government and Mr Mark Newton, on his belief that Mr Newton would be involved with expressions of interest from the private sector. Firstly, that is not the case and, secondly, Mr Newton is looking at Stateships' operation to assess the effect on the people involved of the Government's determination.

The Leader of the Opposition accused me, the Government and Mr Newton of being involved in future tender bids. Again, Mr Newton is making that assessment of Stateships' operation to advise the State Government of the role of a particular shipping operation. The Leader of the Opposition also referred to my conflict of interest and misleading the Parliament, as a consequence of an assertion made by an agent in South East Asia, following Mr Newton's visit, that Mr Newton may be involved in a consortium. I have made the point totally openly - as I always do - and I have not tried to hide behind the actions of the previous Government. That is the distinction again between what Mr Halden said and what actually took place. He suggested that should Mr Newton be involved in any future tender, I would be guilty of misleading the House or involved in a corrupt activity. However, if Mr Newton were involved in any such thing, it would not be for me to pass judgment on him. It is up to him if he wants to do that.

Hon John Halden: It is for you; you are the Minister.

Hon E.J. CHARLTON: It will depend on the Public Service, the State Supply Commission, and all those people involved.

Hon John Halden: You are responsible; the buck stops with you.

Hon E.J. CHARLTON: I know I am a responsible Minister. The member should stop making those comments, because Mr Newton is not involved in the expressions of interest, and no-one has suggested he will be. He certainly has not.

Hon John Halden: Singapore agents have.

Hon E.J. CHARLTON: I get a bit fed up with the Leader of the Opposition's total disregard for honesty and integrity in the accusations he makes about people.

Hon John Halden: Do not look in the mirror too hard.

Hon E.J. CHARLTON: An agency in South East Asia accused Mr Newton of possibly being involved in a consortium because that was one of the propositions the agency said had been put forward. If that happened, I do not see any problem with it.

Hon John Halden: You cannot say that.

Hon E.J. CHARLTON: I can say it.

Hon Kim Chance: It is corrupt behaviour.

Hon E.J. CHARLTON: It is not corrupt. I will not be the judge or make the decision.

Hon John Halden: You are the judge; you are the Minister.

Hon E.J. CHARLTON: I am being totally honest and open in saying that if tenders are called, I cannot stop Mr Newton from applying. He has not suggested it and neither has anybody else in discussions with me.

Hon Kim Chance: But he should not hold both roles.

Hon E.J. CHARLTON: The member is suggesting that he will make an assessment of the private operations but he will not.

Hon John Halden: It says that here.

Hon E.J. CHARLTON: The Leader of the Opposition walked out when I started my comments.

Hon Sam Piantadosi: Do not get nervous.

Hon E.J. CHARLTON: I do not get nervous, I get bloody positive. It is wasting time.

Hon George Cash: It is important to get the facts straight, even if it takes until midnight.

Hon E.J. CHARLTON: It continues that the consultant is to assist with the evaluation of proposals resulting from the recent call for expressions of interest in providing all or part of Stateships' service. When Hon John Halden was outside the Chamber, I explained all of this. I must do so again. As a result of the expressions of interest, I employed Mark Newton on behalf of the Government to talk to all those who made a submission, and to determine what effect the proposals would have on the exporters and importers of this State. I must repeat this, as members opposite all walked out. The consultancy is to do not with the expressions of interest, but with the effects of any future Stateships' operations. The new arrangement could involve runs between the north of Western Australia and South East Asia. That potential has never been tapped and we are losing many opportunities. That is Mr Newton's involvement. He must determine what may happen as a consequence of Stateships coming under the control of a different operator.

Hon John Halden: You have Mr Newton on a panel interviewing potential bidders.

Hon E.J. CHARLTON: No.

Hon John Halden: You have; I have had bidders ringing me telling me that they refused to attend.

The DEPUTY PRESIDENT (Hon Barry House): Order! The Leader of the Opposition will have an opportunity to respond to the debate. We will make more progress without continual interjection.

Hon E.J. CHARLTON: No-one has told me anything in line with what Mr Halden suggests. Hypothetically, if Mr Mark Newton were involved in assessing tenders from private operators -

Hon John Halden: He is.

Hon E.J. CHARLTON: No tenders have been called.

Hon John Halden: Proposals. Price Waterhouse Urwick considered tenders.

Hon E.J. CHARLTON: Get it right. The facts are that if -

*Point of Order*

Hon P.R. LIGHTFOOT: Some time prior to the afternoon tea suspension I was on the point of being ejected for interjecting. The same rule should apply to members opposite, even if admixture of dementia is part of their interjections.

The DEPUTY PRESIDENT: There is no point of order.

*Debate Resumed*

Hon E.J. CHARLTON: I cannot make members opposite accept something they do not want to accept. If Hon John Halden is right, I will respect that. However, Mr Newton has been to South East Asia and elsewhere as part of his consultancy. If he wanted to deal with the expressions of interest, he could have done so in Perth over one week. He has spent two months travelling around the north of the State and South East Asia, and that guarantees that what I am saying is right and proper. Members opposite continue to say that it was a tender process, but I can assure them that we could not sign up with any of the expressions of interest submitted; we would have no legal capacity to do so. If we moved to a private operator with Stateships, we would call tenders. If that were not done, members opposite would accuse me of doing a deal with an operator or a consortium, and indeed that would be highly irregular.

In the final analysis our decision will depend upon the recommendation from the Department of Transport following a further round of discussions with those who submitted expressions of interest. The decision will also be based on the information we receive from Mr Newton on effects on trade predictions for the future. This is terribly important.

Members must remember that Stateships was losing \$15m to \$20m a year for a long time. Hon John Halden quoted one expression of interest by which we can save a great deal of money. Whether that proposal eventuates is a matter of speculation. I will not guarantee that such savings will happen, as many scenarios could apply. However, we must ensure that when we sign a contract with any private operator, he does not say, "We will run two ships to South East Asia and two to the north west, and will do so for the next 10 years." We must ensure that when we enter the contract, after gathering all information, we can require certain specifications in the light of the information. For example, it may be proposed to operate one or four ships of a different size to South East Asia. It may be only one ship to that region with two or three ships operating to the north west, depending upon what happens at Kununurra with sugar. A whole range of options is available. The 25 000 cattle a year coming from Wyndham must be taken into account.

Hon Kim Chance: That is important, but it is not the issue. The issue is the allegation made in the letter. What have you done to find out whether the letter is correct?

Hon E.J. CHARLTON: The member keeps referring to the comment of an agent in South East Asia that Mr Newton is part of some consortium and that I should find out whether that is so.

Hon Kim Chance: They say more, and you know it.

Hon E.J. CHARLTON: Frankly, I could not care less what they say about it. A great deal of water must pass under the bridge before the Government is in a position to determine the sort of contract we will sign with any operator of Stateships.

Hon Kim Chance: You cannot be happy about what the letter says. You must be disturbed.

The DEPUTY PRESIDENT: Order! I have asked members to cease interjecting. The debate will be concluded more quickly without interjections.

Hon E.J. CHARLTON: I am not only concerned, but also disgusted - although I am not critical - that this matter has come to the fore. We are working theoretically through a range of scenarios to achieve the best deal for the exporters of Western Australia. We want to get produce out of the State to South East Asia at the cheapest price. This will enhance trade and, at the same time, reduce costs to taxpayers. Nothing was done in the past to address that issue.

Hon John Halden: That is not true.

Hon E.J. CHARLTON: I will not be critical of the member because we are settling down to sum up the debate.

[Quorum formed.]

Hon E.J. CHARLTON: The other aspect of our attempt to achieve this goal is the Westpac lease. We will check out that lease so that we do not burden some future private operator of the Stateships' operation with some horrendous and totally irregular lease arrangement entered into by the previous Government. I will seek the Opposition's support in trying to rectify that ludicrous and unbusinesslike arrangement.

Hon Kim Chance: If that is the case, you will get it.

Hon E.J. CHARLTON: The member does not care. He was happy to sit by and let the Labor Party enter into a deal. The member should have been before the royal commission about that. Members talk about me appearing before the royal commission. We will see more about that in a day or two. We must ensure that the State does not continue paying that lease arrangement, which is completely over the top, and that is why we are undertaking this process.

Price Waterhouse Urwick was mentioned by Hon John Halden. As I have said half a dozen times in recent weeks, that company was contracted to do a job. Its work is finished. Price Waterhouse's role has ceased. It is now a two pronged research with the Department of Transport on the one hand taking up the issue with prospective companies, and Mr Mark Newton finding out the facts on the future potential of shipping out of Western Australia. I remind members opposite that they did nothing to help the exporters that were lined up unable to get their product out of the State. There are a range of businesses that will generate employment in this State, and we should support them.

Members can make their own judgment on the final comment by Hon John Halden associating this issue with what went on with Mr Laurie Connell and the previous Government.

Hon Kim Chance made a point about the fax from the agent in the South East Asia. I have seen the fax and I have spoken to Mr Mark Newton. I do not know who said what; I was not there. I can take comments from everybody, but in the final analysis we do not know what was said, only what has been interpreted from what was said.

Hon Kim Chance: If the Minister does not try to find out, of course we will not. What attempt has the Minister made to find out?

Hon E.J. CHARLTON: Does Hon Kim Chance want to travel to South East Asia to have it out with them?

Hon Sam Piantadosi: Can I go with you Eric?

Hon E.J. CHARLTON: No, I am fussy. I will not buy into that situation.

Hon Kim Chance: It is your job to buy into it. Your reputation is hanging on that.

Hon E.J. CHARLTON: No, it is not. My reputation is hanging on reducing the \$15m to \$20m loss Stateships incurred year after year, when members opposite sat by idly and allowed it to happen.

Hon Kim Chance: I wish you well with that.

Hon E.J. CHARLTON: I will be judged on the new operation we put in place for Stateships. Members opposite should not judge me on the activities of their Government.

Hon Kim Chance: I am trying to save you from acting improperly.

Hon E.J. CHARLTON: As far as confidentiality is concerned, as I have pointed out to Hon John Halden, Mr Newton is not employed to be involved in sussing out the 12 operations. Tenders have not been called for yet.

Hon Sam Piantadosi: Yet!

Hon E.J. CHARLTON: They might be called in the future. I will let members know when they are called. Members will obviously be the first to see the tender document and what will be specified in it. It is a similar situation to encouraging competition in the

metropolitan transport operations. We are still going through that process to make sure that, when we call tenders, the successful tender will be in the best interests of the State and will result in money being saved. That is what we will do with Stateships.

In the final analysis, the Department of Transport's recommendations will be an assessment of the private operators' financial capacity to supply the service to the State, what sort of ships they can use, whether they will take over the current Stateships organisation, whether they will renegotiate the Westpac lease or whatever. Mr Mark Newton will report on what he thinks is the future of trade, what ports we should be using, and what sort of products have the potential to go out of Western Australia not only next year but in the future, and tenders will be called on that basis.

Hon John Halden stated that Mark Newton will be part of any consortium that comes to the fore. I will advise the member, before any of those situations come forward, what the position is on that matter. Members should not judge me on hypothetical facts they consider might be involved, but on the facts at the end of the day. I cannot guarantee how other people operate. I undertake on behalf of the Government to carry out this process and to leave no stone unturned -

Hon Sam Piantadosi: Nor will we.

Hon E.J. CHARLTON: - to ensure that the private sector operators have been fully assessed, and that we know the full potential for exporters of business opportunities around the world. At the end of that time we will enter into a new phase with Stateships. Before calling tenders I will announce -

Hon Sam Piantadosi: Your resignation?

The DEPUTY PRESIDENT: Hon Sam Piantadosi is out of order.

Hon E.J. CHARLTON: - what the State will do.

The last point I leave with the Leader of the Opposition is that if his claim is that Mark Newton was involved in assessing those tenders and those tenders are proceeded with, he would be right; but that is not the case. They are two totally different things. Under his contract Mr Newton is assessing the future of Stateships as a consequence of going to the private sector. He is not assessing who will get the tender and on what basis. That is a clear distinction between what are the facts, and what is being paraded about by the Opposition to try to get people to believe it. With respect, Hon John Halden was incorrect in making that assumption. I am not being critical in saying that and it is a good thing that Hon John Halden has brought the issue forward, because it has given us a chance to clear the air. Over the next few weeks Hon John Halden will have a lot more people contacting him and telling him who will operate Stateships in the future, and how the people currently employed in Stateships will lose their jobs etc, because all those sorts of things are possible. Lots of people are edgy because they do not know what their future role will be, because we are not leaving things as they are. We will make changes. If Stateships continues it will be as a mean and lean machine that can provide the State the best service in the long run.

HON JOHN HALDEN (South Metropolitan - Leader of the Opposition) [4.58 pm]: The Minister has missed the focus of what we were attempting to do; that is, that based on previous decisions on the role of consultants, they cannot, nor should they ever be able to, provide advice on the one hand and then be involved in the process about which they are providing advice. I drew by way of example the issue of Northern Mining in 1983. The potential here is for that situation to happen again. It is interesting that this Minister is prepared to support Mr Newton, but at the same time he is not prepared to investigate the allegations that have been made in regard to Mr Newton putting together a consortium. The Minister has said he has not investigated that. He has said, yet again, that he does not believe he can control the situation of Mr Newton being a tenderer in the final process. He should control that, because if he does not, there is an implicit conflict of interest. It is crucial that this Minister comes to that realisation, because if he does not he is playing with fire. The situation was clearly and reasonably put by Hon Kim Chance. The Minister is responsible for the situation. He cannot allow a consultant to be

on both sides of the fence; nor should the taxpayers of Western Australia be involved in providing the sustenance for that process to go on.

My reading of the contract is that Mr Newton is to assist with the evaluation of proposals. The Minister asked for proposals resultant from the recent call for expressions of interest in providing all or part of Stateships' services. The Minister says that that has some other role. I am sure that Mr Newton is performing that role as well. I have been advised, as I said by way of interjection, that Mr Newton has been meeting with the proposers, with the panel that has been established by the Minister, to discuss those proposals that have been put forward. That is part of the evaluation process that has gone on since the first Price Waterhouse Urwick report.

The Minister has to be very clear. He may have a perception of what he thinks Mr Newton is doing, but at the moment, from what the Minister says, I do not think he knows what Mr Newton is doing, because he is not prepared to substantiate or to check what he is doing.

Hon E.J. Charlton: Do you think he is a bit of a maverick?

Hon JOHN HALDEN: I do not know the man. The Minister should realise that Mr Newton's final report could be structured in such a way as to favour his own bid, if that were to eventuate. That is why we cannot have a consultant then being part of the tendering process. That is why it is a conflict of interest.

Hon E.J. Charlton: Let me make a few statements that will help us with the next election.

Hon JOHN HALDEN: That is why it is a conflict of interest.

Hon George Cash: Would you agree to a proposition whereby the Minister for Transport introduced you to Mr Mark Newton, someone whom I have never met? It might be worthwhile talking to the chap. It is probably a good idea because you can have out any questions that you might want to raise.

Hon JOHN HALDEN: I am only too happy to do that. I am happy to meet and talk with everybody. It is a very reasonable suggestion.

Hon E.J. Charlton: I will tell him to keep his wallet in his pocket.

Hon JOHN HALDEN: The Minister can tell him whatever he likes. We all accept that it is appropriate for the Government to try to reduce the losses of Stateships, but it is not appropriate for the Minister to put forward the proposition that, basically, the ends justify the means. That is what he is saying. If the ends are such that they are improper or that the taxpayers' money has been expended improperly, the Minister will find himself in far greater trouble than he is in currently.

We framed the motion in this way to ensure that this matter is on the record. In that case, if the matter comes to our attention again, people will not feel that others have been hiding behind any information that they have. But the Minister must realise that he is ultimately responsible for the actions of his department and for those people whom he either employs or engages. He has a responsibility to ensure that there is not a conflict of interest between Mr Newton, the Government and any future proposals in which the Government may be involved. If there is, he can be assured that the Opposition will pursue those matters.

Hon P.R. Lightfoot: He has already told you that he assures us.

Hon JOHN HALDEN: He has not. He has not checked the information. The member should interject appropriately.

The DEPUTY PRESIDENT: Order! The Leader of the Opposition was just about to wind up. The member should allow him to proceed.

Hon JOHN HALDEN: I was about to say that, as is the normal procedure with these motions, I seek leave to withdraw the motion.

Motion, by leave, withdrawn.

**ACTS AMENDMENT (OFFICIAL CORRUPTION COMMISSION) BILL***Second Reading*

Debate resumed from 6 April.

**HON N.D. GRIFFITHS** (East Metropolitan) [5.05 pm]: The Bill proposes to amend the Official Corruption Commission Act which was passed in this Parliament in 1988. It was amended in 1991 and was the subject of two select committee reports of the Legislative Assembly in 1992. The first report of the Legislative Assembly is dated 5 March 1992 and the select committee's terms of reference were -

That a Select Committee be appointed to inquire into and report on the adequacy of the Official Corruption Commission Act 1988 and to make such recommendations for change as in the opinion of the Select Committee may be required: such enquiries to be conducted in conjunction with the Ministerial Review pursuant to Section 14 of the Act.

In its report, the committee made 16 recommendations. Following the presentation of that report, a further select committee comprising the same members of the Legislative Assembly was set up. Its terms of reference were -

That a Select Committee be appointed to consider the recommendations contained in the Report of the Select Committee on the Official Corruption Commission Act and to recommend -

- (a) a draft form of legislation to give effect to those recommendations; and
- (b) the terms of reference for the proposed Joint Standing Committee on Official Corruption.

The report of the second select committee included the terms of a Bill entitled Acts Amendment (Official Corruption Commission) Bill 1992, and it is referred to as being draft No 4 in appendix No 3 to that report. The Bill before the House is substantially the same as a Bill which was introduced in 1992 following the presentation of that second select committee report. Why has this Bill been delayed? It was first read, as members will recall, on 30 November 1993 and the Minister's second reading speech was given on that day. The debate was adjourned following the Minister's second reading speech and recommenced yesterday, 6 April 1994. In his second reading speech, the Minister says that the Government has now reviewed that Bill - meaning the 1992 Bill - in the light of the recommendations of the Royal Commission into Commercial Activities of Government and Other Matters.

In the Commission on Government Bill before the Legislation Committee in schedule 1, under specified matters, item No 13 of the schedule at page 21, one of the terms of reference on the proposed Commission on Government is the appropriate role, powers and functions of the Official Corruption Commission for the prevention and exposure of impropriety or corruption within the public sector with consideration given to the prospective roles of other agencies and legislation. In that context I query why there has been a delay in presenting this Bill to the House so that it can go through the second reading stage and to its ultimate conclusion? The Bill has been given a very low priority by the Government, consistent with the low priority the Government has given matters raised by the royal commission referred to earlier. This Government gives a very low priority to matters which may improve the system of government and make it more accountable.

The Government's record on reform is woeful. The priority afforded this Bill can be ascertained easily by a reference to a document titled "Progress of Bills Introduced into the Parliament of Western Australia First Session of the Thirty-fourth Parliament 1993-94". It is dated 28 March 1994. It summarises the progress of the large number of items of legislation as they have gone through the Parliament - in this House and another place. Reference to that document will demonstrate the very low priority that the Government affords this Bill. That priority is in marked contrast to a number of measures mentioned in that document, measures which the Government did not bring before the people at the

last election, measures such as the Kennett-style industrial relations Acts, the abolition of the Perth City Council, the forfeiture of common law native title, the Bills pertaining to workers' compensation, and the forfeiture of common law rights in other areas of activity.

This Government has no taste for real reform. When it comes to measures proposed by the royal commission, one can say that action speaks louder than words. The Government has done very little and its heart is not in what it has done. Notwithstanding the passage of time since the two select committees provided their reports to the Legislative Assembly - the 1992 Bill, the election, the first reading of the Bill in this House on 30 November 1993 followed by the Minister's second reading speech - the Bill fails to provide what the Australian Labor Party requires. I note that the other parties do not seem interested in this matter, because their representatives are out on essential parliamentary business.

What is important to the Australian Labor Party - that is, improving the standard of Government in Western Australia - is not dealt with in this Bill. That is the question of a joint standing committee. I note that the second select committee's report, dated 24 September 1992, recommended that there be a joint standing committee on official corruption in these terms, and I quote from recommendation No 4 -

The Select Committee recommends that -

Both Houses of the Parliament of Western Australia resolve to establish a Joint Standing Committee on Official Corruption in accordance with the draft resolution at Appendix 4.

Appendix 4 sets out a proposed resolution to be reported to the joint standing committee on official corruption. It is in the form of a motion and is somewhat detailed. I note in that context that in the Commission on Government Bill which is before the Legislation Committee, clause 22 on page 15 of that Bill deals with the proposal for a joint committee of both Houses of Parliament and with the Commission on Government. The select committee did not refer to the idea of putting the joint standing committee into legislation. That idea is hardly novel to this Government; it is hardly unknown in Australia.

I refer to the Independent Commission Against Corruption Act 1988, an Act of the Parliament of New South Wales. It is a reprint as at 3 August 1992. In that Act, at page 31 and subsequently, very detailed provisions deal with the setting up of a parliamentary joint committee, its functions, membership, vacancies, election of a chairperson and vice-chairperson, its procedure, procedure if Parliament is not in session, matters to do with evidence, and confidentiality. The matter is relatively detailed - more detailed than motions which come before this House setting up select committees. This idea of putting a provision for a joint standing committee in legislation is not novel and it is one which the Government should have provided in this legislation given the passage of time and given the views of the royal commission referred to earlier.

The royal commission in its report, part II, appendix 2, states that there are detailed proposals concerning the establishment of the office of the commissioner for the investigation of corrupt and improper conduct. In its proposal it mentions this joint standing committee several times. Proposal (b) states among other things that Parliament should exercise a significant role in the selection of a person to be the commissioner. It states that the proposed joint parliamentary committee should receive advice - and it lists a number of persons from whom that advice should be sought - before submitting a short list of suitable applicants to the Premier. The Parliament is considered an appropriate body to take a role in the selection of the person who is to hold the office. The second report of the Royal Commission into Commercial Activities of Government and Other Matters states -

- (u) The Commissioner shall publish the public report as soon as possible after it has been compiled, and shall deliver a copy of it to the Parliament, the Joint Parliamentary Committee, each responsible authority, and each

person in respect of whom the view has been expressed that proceedings or further action should be considered. Publication of the report should be the subject of appropriate legal protection.

- (v) The Commissioner should provide, as soon as possible after it has been compiled, on a confidential basis, a copy of any private report to the Joint Parliamentary Committee . . .
- (y) A Joint Parliamentary Committee should be responsible for monitoring the performance of the Commissioner and to consider and report to Parliament on issues affecting the prevention and detection of official corruption and improper conduct in the public sector. The Joint Parliamentary Committee should be established in accordance with the standing orders of the Parliament governing the establishment of such committees.

I would have thought, in the light of the fact that the Government has not chosen to enshrine anything about a joint standing committee in the legislation, that at the very least by April 1994 a Government member would have put a motion on notice which was in a similar vein to the recommended motion in appendix 4 of the select committee's report. It reads -

- (1) A Joint Standing Committee of the Legislative Assembly and the Legislative Council be appointed -
  - (a) to monitor and review the performance of the functions of the Official Corruption Commission established under the *Official Corruption Commission Act 1988*;
  - (b) to consider and report to Parliament on issues affecting the prevention and detection of official corruption as they relate to the Official Corruption Commission, the Police Force, the offices of the Parliamentary Commissioner for Administrative Investigations, of the Director of Public Prosecutions and of the Auditor General, the department of Public Service Commissioner and all other public sector agencies and authorities;
  - (c) to assess the effectiveness or otherwise of the official corruption prevention programmes of all public sector agencies and authorities;
  - (d) to consider and report to Parliament on the effectiveness or otherwise of the systems for dealing with complaints against members of the Police Force;
  - (e) to examine such annual and other reports as the Joint Standing Committee thinks fit of the Official Corruption Commission and all other public sector agencies and authorities for any matter which appears in, or arises out of, any such report and is, in the opinion of the Joint Standing Committee, relevant to its terms of reference;
  - (f) to assess whether or not the activities of the Official Corruption Commission and the official corruption prevention programmes of all other public sector agencies and authorities overlap with each other for the purpose of suggesting means by which duplication of effort may be avoided and of encouraging mutually beneficial cooperation between the Official Corruption Commission and those other agencies and authorities; and
  - (g) to consider the development of a framework for public sector accountability for the purpose of reducing the likelihood of official corruption and to assess any such framework from time to time in order to make recommendations for the improvement of that framework.

Members may recall that in appendix 4 to the select committee's report the proposed motion was to the effect that the standing committee should comprise six members, three of whom should be from this House and three from the other place. It is interesting to note, in view of what has taken place in debates on other committees in this Parliament, that the proposed motion was to the effect that no Minister of the Crown or Parliamentary Secretary to a Minister of the Crown be eligible to be a member of the joint standing committee. I am sure the Government would not argue with that proposition. The question of a quorum was also dealt with by the select committee. The principles dealing with the setting up of the committee were dealt with. I am surprised that no-one from the Government side of the House has moved such a motion. Perhaps one of them will give notice of such a motion next week; that remains to be seen.

I note that Hon George Cash is listening to what I have to say and I look forward to his response. I am very concerned about the delay and the fact that the Government has not shown great interest in moving this process of reform forward. I am also concerned that on the evidence to date the Government has shown a lack of willingness to strengthen the role of the Parliament with respect to the Executive. It may be trying to hide from scrutiny and it may have some secrets it wishes to keep and that concerns me. The Government may be keeping secret its commercial activities and myriad conflicts of interest which have been referred to by Hon John Halden on several occasions. Today there was a debate in this place on Mr Newton and Stateships.

Hon Peter Foss: He hasn't got a single point right yet.

Hon N.D. GRIFFITHS: I do not share the Minister's view. I have listened closely to Hon John Halden but I do not want to go over that debate because it is between Hon Eric Charlton, Hon Kim Chance and Hon John Halden. The Minister for Health can be sure that I support Hon John Halden's endeavours to clean up this State and make the Government, of which the Minister is a member, properly accountable to the people of Western Australia.

Hon George Cash: It is a pity you were not here during the 1980s when you could have made a great contribution to cleaning up the then Labor Government.

Hon N.D. GRIFFITHS: Many of my colleagues would agree it is a pity that I was not here and I am also of that opinion. However, I lost a preselection ballot and that is history.

The Opposition is very eager for this Official Corruption Commission, with its new powers and the other innovative measures set out in the Bill, to be up and running. There are three innovations which are particularly significant. Firstly, proposed section 7A(3) provides a degree of natural justice which some members may have thought has been lacking. Secondly, clause 15, proposed section 11A, contains a whistleblower provision. Thirdly, proposed section 11B is a privacy provision which provides some protection from what can amount to gross defamation.

The Opposition is very concerned that yesterday's Supplementary Notice Paper proposed amendments to the legislation. If the Bill does not pass through the Committee stage in this place before the Legislative Assembly rises it will not be able to deal with those amendments. We will have to start again and the Opposition does not want that to occur. For that reason I will cut short my remarks. There were a number of matters I wished to address and I will do that when we debate similar matters such as the Legislation Committee's report on the Commission on Government Bill.

**HON PETER FOSS** (East Metropolitan - Minister for Health) [5.30 pm]: During the last 10 years and with the results of the royal commission, I have come firmly to the opinion that if we want an honest Government, we have to elect one, because no matter what legislation we pass and no matter what safeguards we put in place, in the end that will be defeated unless honest people are in the system. We cannot legislate honesty in Government. It has to be inherent. That does not mean that I do not support having checks and balances. However, in the end we will be let down by the system if the guardians themselves are dishonest.

Hon Kim Chance: You can be let down by the election process too.

Hon PETER FOSS: Very true. I do not like to quote the well known saying "Who will guard the guardians?" because it comes out of a play which is about unfaithful wives, so I am always embarrassed by its origins. However, that saying is very true, because we cannot have a system which is effective and honest unless the people who run it are honest.

Hon N.D. Griffiths: That is why we are worried.

Hon PETER FOSS: I heard that remark. I have heard two speeches dripping with insinuation and vitriol, one from Hon Alannah MacTiernan, who swooped on us and spoiled our food, and one by Hon Nick Griffiths, which was full of innuendo. In 1990, we celebrated 100 years of a bicameral system of responsible government. However, in the last 10 years, as has been amply demonstrated by the royal commission, the whole system has been let down by a dishonest and corrupt Government. Unfortunately, due to the fact that certain matters are before the courts, I cannot dwell on how high and how far that corruption went, but I hope that when those matters are dealt with, we will again have the opportunity to remind members opposite of what their Government did for 10 years - the destruction that they wrought, the destruction that made absolutely essential and inevitable the royal commission that disclosed those disgraceful events and, interestingly, pointed out that those people on our side of politics who were included by the Opposition in the royal commission's terms of reference were totally and utterly honest. That is a nice contrast. For 90 years, responsible government worked. For 90 years, we had one honest Government after another. For 90 years, Labor, Liberal, Country Party and National Party Governments were honest. However, for the last 10 years, because we have had corrupt people in the highest echelons of our Government -

*Withdrawal of Remark*

Hon BOB THOMAS: I take offence at that remark about the Government, given that the royal commission said in volume II of its report that there was very little evidence of corruption. I ask the Minister to retract that statement.

The DEPUTY PRESIDENT: The standard practice in this House is that if a member is offended by a remark, the member who made that remark withdraws it on a voluntary basis.

Hon PETER FOSS: I withdraw it on a voluntary basis.

*Debate Resumed*

Hon PETER FOSS: I hope all members opposite read volume I of the report of the royal commission and tell me whether they are proud of what they read there. One of these days we should read again to members opposite some of the sections of volume I and see what they think of them, because unless they are disgusted -

Several members interjected.

The DEPUTY PRESIDENT: Order! All members know the rules of debate in this place, and almost every member involved at the moment is breaking those rules. There should be no interjections and the Minister should direct his remarks through the Chair.

Hon PETER FOSS: Unless members opposite are disgusted with and ashamed about every single sentence that they read in the volume I of the report of the royal commission, then unfortunately, as I believe to be the case, they have learnt nothing. They have no shame. I am afraid that I saw members opposite look ashen faced and ashamed for only one day after that report came out.

Hon Tom Stephens: Are you not ashamed when your Premier lies?

Hon PETER FOSS: Are members opposite not ashamed by every single line of the royal commission report?

Hon Tom Stephens: Read volume II.

Hon PETER FOSS: No; read volume I, where the facts are. Do I take it from the interjections by Hon Tom Stephens that he is letting us know that he is proud of everything that he reads in volume I and that he does not see any problem with volume I? I cannot see how he can possibly feel anything other than shame. If, on the other hand, he has no shame, if it causes him no concern, then it proves my point that members opposite have not learnt. I believe members opposite were ashamed for only one day and they then took it as some sort of cathartic forgiveness. Having had their deeds disclosed to the public, they seemed to think that they could go on for ever after as though it had never occurred, when the facts show quite clearly that if we want an honest Government we have to elect one, and if we elect a dishonest Government, we will have one. It does not matter what protections we put in place; that is the situation. However, that does not mean we should not put protections in place.

Hon N.D. Griffiths: The reason that you disagreed with the royal commission is that your Government is not an honest Government.

Hon PETER FOSS: I am pleased to say that our Government is an honest Government. I have heard all sorts of wild allegations - normally out of date, wrong and mistaken allegations - but I do know that due to what occurred under the former Government, this State lost over \$1b. I heard today the statement "You will not be able to use that excuse for much longer". We will be using that excuse for a long time, and in a long time when members opposite get back into Government they will blame former Labor Governments because we will still be paying that cost. In 20 years, we will still be paying the cost for the corruption that took place.

Hon N.D. Griffiths: Don't you want this Bill passed? Stop filibustering.

Hon PETER FOSS: The member should take his own medicine, because he made, without any basis whatsoever, snide remarks that this Government is leaving things out because it is corrupt. We had to sit here while the member dripped all his nasty comments. I object to that. I know that ours is an honest Government, and thank goodness at long last after 10 years the Western Australian people have elected an honest Government. I know that members opposite do not like to be reminded of the reason that this legislation came forward. They may like to forget why this legislation had to be put forward in the 1980s. They may like to forget all of the events that have occurred subsequently. Members opposite should remember that the genesis of this legislation is the behaviour of the former Government. Before members opposite make snide remarks about this Government and before they object to having the facts served back to them, they should try to remember that they still have a responsibility.

Hon Nick Griffiths was not in the Parliament, and had there been someone like him in the Parliament, perhaps what happened may not have happened. Somehow, I doubt it, because as he said, he agreed with all those people on that side of the House. The unfortunate thing about members opposite is that they always agree because their party rules force them to agree. They had the unusual situation during passage of the Adoption Bill of being able to say what they thought. But their big problem is that they must always agree. We saw 10 years of that. Backbenchers said they were not a member of the Government; they sat mute and did not question anything. They were like the three monkeys - hear no evil, see no evil and speak no evil, and they thought there was no evil, but there was. Volume I of the report of the Royal Commission into Commercial Activities of Government and Other Matters told the people of Western Australia the truth at last! Having put the public record straight and having shown that all the dripping malice from the other side should be dripped around those benches, and around the people who did nothing for 10 years to stop the degradation of the Government, those people should be saying that they should have taken the opportunity to say they realise what happened over the past 10 years and they vow they will never do it again. I had hoped at one stage that members opposite, since the royal commission report came out, would express some regret. We have not heard one word of regret. They go around slandering and maligning members on this side, completely forgetting what happened in those days. We should not forget. If we forget the origins of this legislation we are missing the whole point.

Hon N.D. Griffiths: Let's get on with it.

Hon PETER FOSS: The member does not like it! Hon Alannah MacTiernan spent a lot of time dripping malice. Hon Nick Griffiths spent some time malice dripping as well. Why does he not for one moment show some contrition for the past and admit that the reason for this legislation is the misbehaviour of 10 years of a Labor Government?

I will deal with the matters of essence rather than the vitriol, which was so unnecessary and undeservedly spread; I will deal with the question of the joint standing committee. Members opposite may not be aware, though I think they should be, that the upper House members of the Government are not very keen on the idea of a joint standing committee. The reason is that they see such a committee undermining the essential separateness of the two Houses and the capacity of the upper House to exercise its power of supervision. You may recall, Mr Deputy President (Hon Barry House), that one of the reasons WA Inc was finally discovered and the truth was finally revealed was the efforts of the upper House. Thankfully, the electorate in its wisdom voted 52 per cent for us at that time, but unfortunately we were defeated by the gerrymander in the lower House - they had to get more than 52 per cent to win in the lower House.

Several members interjected.

Hon PETER FOSS: Leaving aside the fact that there is proper proportional representation in the upper House, and we do have a truly deserved majority in this House, we were able through the use of this House to force the truth out of the Labor Government.

Hon Tom Helm: Nonsense!

Hon PETER FOSS: We see the separation of the two Houses as important, and a joint select committee would undermine that.

Hon Tom Helm: Untrue!

Hon PETER FOSS: In our party room there is considerable objection to joint standing committees. The suggestion also that they should be incorporated in the legislation is something we believe is a matter which should be handled by the Parliament. I realise that the COG Bill does not follow that. That is a matter of some disappointment to members in our party room who do not like joint standing committees and do not like the ordering of the provisions of this Parliament to be taken into legislation.

The good thing about it is that if we had, as is the case at the moment, a situation where the Government controls both Houses, a joint standing committee would be plainly capable of dominating in both Houses; but at least there would be a difference between the two Houses. If in one House the Government does not enjoy the majority, at least we have the possibility of a standing committee with the possibility of a majority against the Government. This is important. I do not know that members opposite have realised how important it is at times that the upper House has that capacity of independent operation. I greatly support it, and I always have. That is the reason we favour the idea of a single standing committee of each House rather than a joint standing committee.

Some questions were posed by Hon Alannah MacTiernan. Again, I should not be dealing with the proposed amendments. I urged her not to do that until the Committee stage. The alterations to be put in were at the request of the Director of Public Prosecutions. I do not have an insight into his mind as to the experience or current investigations or prosecutions he may be taking in regard to the removal of guano, nor for that matter with regard to the fiddling with brands. Obviously it is not appropriate for me to inquire of him about his current ideas in regard to prosecutions, but he, being the person most familiar with this area of prosecutions and one better than anyone else able to decide the appropriate conclusions, has suggested the amendments included on the Notice Paper. If members want to know why they are there, my information is that it is at the request of the Director of Public Prosecutions, and I have not seen fit to be so indelicate as to inquire about the particular cases he has in mind as being appropriate.

Hon N.D. Griffiths: I will ask during the Estimates debate, and so will Hon Alannah MacTiernan.

Hon PETER FOSS: Right. I am pleased to hear that the Opposition supports this legislation. We have about 10 minutes to deal with the Committee stage.

Hon N.D. Griffiths: My concern is to have the matter go to the Legislative Assembly so that it can go through the Parliament today.

Hon PETER FOSS: In that case, I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*Committee*

The Deputy Chairman of Committees (Hon Derrick Tomlinson) in the Chair; Hon Peter Foss (Minister for Health) in charge of the Bill.

**Clauses 1 to 4 put and passed.**

**Clause 5: Section 3 amended -**

Hon PETER FOSS: I move -

Page 5, after line 2 - To insert the following -

"standing committee" means -

- (a) a standing committee of either House of Parliament; or
- (b) a joint standing committee of both Houses of Parliament;

Hon N.D. GRIFFITHS: I make it clear that the Opposition would prefer to have a joint standing committee and not a standing committee of both Houses of Parliament as is intended by the Government.

**Amendment put and passed.**

**Clause, as amended, put and passed.**

**Clauses 9, 11, 14, 15, 17 -**

Hon Peter Foss was granted leave to move the following amendments en bloc -

**Clause 9**

Page 15, lines 8 to 12 - To delete the lines and substitute the following -

- 7F. (1)** This section applies to a person who is -
- (a) the Parliamentary Commissioner;
  - (b) the principal officer of a public authority; or
  - (c) an officer who constitutes a public authority,

but does not apply to the Director of Public Prosecutions.

Page 17, after line 19 - To insert the following -

**Director of Public Prosecutions to notify Commission of certain matters.**

**7G. The Director of Public Prosecutions shall -**

- (a) report to the Commission any matter which the Director of Public Prosecutions suspects on reasonable grounds concerns or may concern conduct or involvement referred to in section 7(1)(a) or (aa) on the part of the Deputy Director of Public Prosecutions or of a member of the staff of the Director of Public Prosecutions; and
- (b) provide the Commission with such statistics as are specified from time to time by the Commission by writing given to the Director of Public Prosecutions, being statistics relating to the number and types of allegations of the kind

referred to in section 7(1)(a) or (aa) or both received by the Director of Public Prosecutions during each calendar year or during such other period as is specified by the Commission.

Page 17, lines 22 and 23 - To delete the following words -

who is not a person to whom section 7F applies.

#### **Clause 11**

Page 20, after line 3 - To insert the following -

(2) A person who fails, without reasonable excuse, to comply with a request in writing made under subsection (1) commits an offence and is liable to a penalty of \$2 000.

Page 20, after line 18 - To insert the following -

(2) A person who fails, without reasonable excuse, to comply with a request in writing made under subsection (1) commits an offence and is liable to a penalty of \$2 000.

#### **Clause 14**

Page 23, lines 8 and 9 - To delete the words "joint standing committee of Parliament" and substitute the following words -

standing committee.

Page 23, line 15 - To delete the following word -

joint

Page 23, line 18 - To delete the following word -

joint

#### **Clause 15**

Page 26, line 8 - To delete the following word -

joint

#### **Clause 17**

Page 27, line 25 - To insert before the figure "169," the following figure -

122,

Page 27, line 26 - To insert before the figure "385," the following figure -

384,

Page 27, line 26 - To insert after the figure "386," the following figure -

387,

**Amendments put and passed.**

**Clauses, as amended, put and passed.**

**Clauses 6-8, 10, 12, 13, 16, 18-20 put and passed.**

**Title put and passed.**

#### *Report*

**Bill reported, with amendments, and the report adopted.**

#### *Third Reading*

**Bill read a third time, on motion by Hon Peter Foss (Minister for Health), and returned to the Assembly with amendments.**

## **GOLDFIELDS GAS PIPELINE AGREEMENT BILL**

### *Receipt and First Reading*

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

### *Second Reading*

**HON GEORGE CASH** (North Metropolitan - Leader of the House) [5.52 pm]: I move -

That the Bill be now read a second time.

Members are aware that a major initiative of this Government, and part of its election platform, is "gas to the goldfields". The Government, soon after its election to office, announced its intention to invite the private sector to build, own and operate a gas pipeline to transport gas from the north west of the State to the goldfields region. The project is seen to offer major benefits to the State. Some of these benefits are -

- the better positioning of our mining and mineral processing industry among the world competitive producers through lower energy costs and more reliable supply;

- the stimulation of increased mineral processing and new mineral processing activity by secure lower priced electricity supply and the availability of natural gas as a process fuel;

- the increase in royalties to the State flowing from expanded mining activity;

- the generation of jobs from the construction and operation of the pipeline, and from the associated developments consequent upon the availability of natural gas;

- the generation of electricity from natural gas in Kalgoorlie will reduce the load on the Muja to Kalgoorlie transmission line to more reasonable levels, saving the presently high line losses and allowing more reflective competition in energy prices in Kalgoorlie;

- development by the private sector of a natural gas pipeline from the north west to the goldfields will open up significant new markets for gas producers and stimulate further investment by producers in proving up natural gas reserves and in production facilities;

- by substitution of imported fuel oil with Australian natural gas and by increased mineral and processed mineral exports from a more competitive industry, our national balance of payments will be improved;

Recognising the strategic importance of this element of future infrastructure, the Government was determined to ensure that all potential users would have fair and open access to the pipeline. With this vision, on 17 April 1993 the Government advertised a call for expressions of interest from the private sector to build, own and operate a pipeline to bring gas from the north west of the State to the north eastern and eastern goldfields areas. This call closed on 30 May 1993. The Government offered, in the call for expressions of interest, to enter an agreement with the preferred proponent selected by Government on evaluation of the proposals. Bidders were advised that this agreement would facilitate prompt implementation, security of right of way, licence to construct and operate, and non-discriminatory access for third party use, and would be ratified by Parliament.

Interested parties were also advised in the call that the pipeline should enable delivery to users along the route and be capable of subsequent extension into the south east of the State and/or expansion of capacity when market demand rendered this feasible. The call for expressions of interest attracted strong international interest, leading to 16 submissions received by the 30 May 1993 closing date. These submissions were subject to a rigorous assessment process by a project team established by the Department

of Resources Development. As a result of this process, the Goldfields Gas Transmission Joint Venture, the GGTJV, comprising a consortium of Western Mining Corporation, Normandy Poseidon and BHP Minerals, was assessed to be the most likely successful developer, and on 8 September 1993 the Premier announced that the GGTJV was invited to proceed with feasibility studies and to develop its proposal further. Two other bidders' expressions of interest were held extant pending further assessment and negotiations concerning the GGTJV bid to determine whether an acceptable basis existed for the Government to enter an agreement with the GGTJV.

This stage was reached on 14 December 1993 when the Minister for Resources Development announced that the Government had reached an agreement with the GGTJV on key terms and conditions for the development. The other two bidders were advised that their bids had lapsed. All bidders were advised that their consortium or individual company's continued interest in possible involvement in the project was encouraged through direct commercial negotiation with the selected GGTJV consortium. During September 1993, liaison had occurred between the GGTJV and several key agencies of the State to ensure as much forward planning and other relevant data was available to the GGTJV to assist it in its detailed consideration of the route for the pipeline. Examples of this liaison are: Main Roads Department provided its strategic plans for road routes in the vicinity of the proposed pipeline; and the Department of Aboriginal Sites of the Western Australian Museum provided data on the location of registered Aboriginal sites to assist the GGTJV in avoiding, where possible, conflict with these sites. The Energy Policy and Planning Bureau and the Energy Implementation Group was also involved in the consideration of the principles for access and tariffs for third party use of the pipeline.

Following the 14 December announcement by the Minister for Resources Development, detailed negotiations of the agreement terms have been progressed between the joint venturers and the Department of Resources Development leading to the agreement presented to this House today.

The purpose of this Bill is to ratify an agreement dated 23 March 1994 between the State and Wesminco Oil Pty Ltd, Normandy Pipelines Pty Ltd and BHP Minerals Pty Ltd, which I will hereinafter refer to as the joint venturers, for the construction and operation of the goldfields gas pipeline. Wesminco Oil Pty Ltd is a subsidiary of Western Mining Corporation Holdings Limited and Normandy Pipelines Pty Ltd is a subsidiary of Normandy Poseidon Limited. Both parent companies have executed the agreement guaranteeing performance of the obligations of their respective subsidiaries under the agreement.

The House should appreciate that the agreement has been negotiated during a time of review and change in the State's energy arrangements and national consideration of regulation of intrastate and interstate pipelines. The agreement is pioneering in that it provides for private sector development of major infrastructure under commercial terms with light-handed regulation. I believe the terms of this agreement are consistent with decisions made at the Council of Australian Governments meeting in Hobart in February 1994 with respect to the free and fair trade in natural gas. The agreement ensures non-discriminatory access and tariffs for all future use of the pipeline and obligates the joint venturers to pursue market growth and to provide for further development of the pipeline capacity to serve that growth.

The Goldfields Gas Pipeline Agreement before the House contains provisions which will do several things. Firstly, it will facilitate construction of a pipeline of, unless otherwise agreed by the Minister, a minimum of 400 mm diameter from its commencement through to Newman, then 350 mm diameter through to Kalgoorlie, suitable for not less than 102 000 kilopascals operating pressure. The pipeline will also be capable of expansion of its initial operating capacity by a minimum of 50 per cent of the initial committed capacity, which comprises the gas transport requirements of -

- each of the joint venturers;
- all associates of the joint venturers; and
- all initial contracts, of 10 years or more, with third parties.

Secondly, it will identify the associated developments such as lateral pipelines, power stations and transmission lines to be constructed either by each of the joint venturers on their own behalf, their associated companies or by third parties under contract arrangements with any of the joint venturers. Thirdly, it will encourage other development in the regions through which the pipeline passes by making gas transmission capacity available in the pipeline to third parties on a non-discriminatory basis at fair and reasonable tariffs that are consistent with tariff setting principles that the Minister will approve.

Apart from the benefits that each of the joint venturers will derive from the pipeline, the State as a whole will benefit from the additional energy infrastructure which will further enhance development opportunities in the inland Pilbara and goldfields regions through lower electricity and gas prices.

Capital expenditure on the pipeline project is estimated to be \$400m.

Following early ratification of this agreement preliminary engineering work will commence immediately. By November 1994 the pipeline route including the consideration of traditional land use matters will have been resolved and decisions taken regarding commitment to proceed to construction.

A construction work force between 500 and 1 000 persons is anticipated, depending on the number of construction spreads. The permanent operation work force is expected to be between 20 and 30 persons. A 12 month construction period is anticipated, with project commissioning for gas transport by the end of 1996.

Members will note that requirements of law relating to traditional usage are respected in the agreement. Prior to the submission of the detailed development proposals, the joint venturers are required under clause 7 to meet with the Minister with a view to reaching agreement on the route for the pipeline. The agreement provides that this action will trigger the process of identification and consideration of traditional usage rights under the provisions included in the Petroleum Pipelines Act by the Land (Titles and Traditional Usage) Act.

Under this agreement the State ensures that in the planning of the route for the pipeline the nature and use of any lands concerned are given careful consideration along with engineering matters. Where any traditional use of land is impaired or extinguished by the development of the pipeline the State will meet the cost of compensation, consistent with part 4 of the Land (Titles and Traditional Usage) Act 1993. The provisions of the agreement also allow, because of the strategic nature of this project, for the State to meet any cost of compensation that may arise under the Commonwealth's Native Title Act 1993. The GGTJV will pay all other costs of acquisition of land.

The due date for submission of the proposals is six months after agreement is reached on the pipeline route. The normal two month period allowed for consideration of proposals by the Minister may be extended to allow the joint venturers and the State to comply with laws relating to traditional usage. The joint venturers are obligated to commence construction and have the pipeline operational within two years of the date of approval of all of the proposals.

I now turn to the other specific provisions of the agreement scheduled to the Bill before the House. The joint venturers, under clause 6, must undertake field and office engineering, environmental and market studies necessary for determining the route of the pipeline under clause 7 and to enable them to finalise and submit the detailed proposals under clause 9. To facilitate those studies, the State will permit the joint venturers to enter upon lands, including pastoral leases.

Clause 8 enables each of the joint venturers to reserve capacity in the pipeline for its needs including the needs of its associates. Details of arrangements made for meeting the needs of each joint venturer are to be provided to the Minister at the time the detailed proposals are submitted under clause 9. The joint venturers are required to advertise for customers of the pipeline by means approved by the Minister. The joint venturers are also required to use reasonable endeavours to procure binding contracts from the potential customers for gas transmission capacity.

Clause 10 provides that the Minister shall -

- approve the proposals wholly or in part; or
- defer a decision until such time as the joint venturers submit further proposals; or
- require that a condition precedent be met prior to the giving of approval.

The joint venturers are to be notified by the Minister of a decision on the proposals within two months of receipt of the proposals or such longer period as is necessary to comply with requirements of the Environmental Protection Act or laws relating to traditional usage. The joint venturers are obligated to implement the approved proposals.

Clause 11 provides for extensions to the period for submission of or consideration of the detailed proposals as may be necessary to enable compliance with laws relating to traditional usage. Should either the joint venturers or the State consider that the development of the pipeline should not proceed, having regard to matters arising out of laws relating to traditional usage, or by reason of claims or objections lodged, then the agreement can be determined before proposals are approved.

Clause 12 provides for the submission and consideration of additional proposals should the joint venturers seek to modify or expand their operations significantly beyond those approved under clause 10.

Clause 13 addresses the use of Western Australian labour, professional services and materials.

Clause 14 requires the joint venturers to carry out a continuous program of investigation to ascertain the effectiveness of measures being taken under the approved proposals for rehabilitation, protection and management of the environment. The joint venturers are required to report to the Minister if the measures are not effective and the Minister may call for additional proposals to be submitted for his consideration.

Clause 15 addresses the respective responsibilities of the joint venturers and the State in regard to construction and maintenance of roads.

Clause 16 requires the State to grant to the joint venturers a pipeline licence in respect of the pipeline and leases, licences or easements for the pipeline and access roads to the pipeline and other facilities that are the subject of approved proposals. The pipeline licence will be for a period of 21 years with one automatic extension for a further period of 21 years. The basis on which licence fees and rentals will be determined are set out in subclause (2). Certain sections of the Land Act are amended to facilitate the issuing of leases, licences or easement as detailed in subclause (3).

Clause 17 requires the State to ensure that users of the pipeline can, where required, access the Dampier to Bunbury gas pipeline where it is technically and economically feasible for the State Energy Commission to grant such access. Access terms must be fair and reasonable and generally consistent with those applying to access to the joint venturers' pipeline.

Clause 18 is an acknowledgment by the State that associated developments already notified to the Minister are essential elements to each individual joint venturer of the overall pipeline project. I table for the information of the House letters from Wesminco Oil Pty Ltd and Normandy Pipelines Pty Ltd listing such associated developments.

[See paper No 1241.]

Hon GEORGE CASH: BHP Minerals Pty Ltd has not provided a list as it is able to develop a gas fired power station at Newman under the Iron Ore (Mount Newman) Agreement Act. Clause 18 also provides for -

- modification of the Electricity Act for the purpose of facilitating electricity generation and transmission;

- the wheeling of electricity from any approved associated development through any SECWA grid to any of the joint venturers' or their associates' facilities and other consumers approved by the Minister in the inland Pilbara and goldfields regions;

the consent for sale of electricity generated from gas transmitted in the pipeline for consumption by the joint venturers, or for distribution to separate premises owned by the joint venturers or their associates; and

the developer of any lateral pipeline forming part of an associated development may meet with the Minister to reach agreement on the lateral pipeline route using a similar process to the pipeline route.

Clause 19 requires the joint venturers to actively promote and pursue use of the pipeline. Clause 20 requires the joint venturers to provide non-discriminatory third party access to the pipeline and sets out procedures that may be implemented in the event that a third party is unable to obtain access to the pipeline. Clause 21 details the purposes for which by-laws may be made, the matters to be taken into consideration when formulating by-laws, and the circumstances under which action may be initiated by the joint venturers to have by-laws amended or repealed.

Clause 22 provides for -

gas transmission contracts negotiated with third parties to incorporate fair and reasonable tariffs which are consistent with the tariff setting principles approved by the Minister;

the joint venturers to establish and maintain an indicative tariff schedule based on the tariff setting principles approved by the Minister; such indicative tariff schedule is to be provided to the Minister from time to time; and

details of gas transmission contracts to be provided to the Minister on a confidential basis.

I now table a side letter containing certain understandings regarding the operation of the agreement. Members should note that the third party access and tariff setting principles to which I have referred are contained in item 5 of the letter, which is dated 24 March 1994.

[See paper No 1242.]

Hon GEORGE CASH: Clause 23 requires the joint venturers to maintain such accounting records as shall be agreed between the joint venturers and the Minister, and shall provide those records to the Minister, as required, for the purpose of showing to the reasonable satisfaction of the Minister that the terms for gas transmission through the pipelines are non-discriminatory, fair and reasonable.

Clause 24 provides for the pipeline licence, and any lands the subject of any lease, licence or easement, to continue to be appropriately zoned so that the pipeline is not prejudiced. Clause 25 provides that -

any land subject to the agreement will not be subject to discriminatory rates;

any leasehold land will be rated on an unimproved value basis;

section 538 of the Local Government Act, which empowers local authorities to impose levies on gas pipelines, will not apply; and

section 533B of the Local Government Act, which enables proponents under agreement Acts to elect to have lands valued on a nominal basis, shall not apply.

Clause 26 enables the State to resume land, if required, for the purposes of the agreement. In the event that it becomes necessary to implement this provision, the joint venturers are required to meet all costs other than any costs arising under laws relating to traditional usage. Clause 27 provides that the State shall not resume or create any easement over any of the lands which are the subject of the agreement without the consent of the joint venturers.

Clause 28 provides for the assignment of rights by the joint venturers, subject to the execution of a deed of covenant by the party receiving the benefits of the rights. Clause 29 is the standard clause used in agreements detailing how the agreement may be varied from time to time. Clause 30 recognises the temporary suspension of the agreement

obligations as a result of circumstances beyond the control of the joint venturers. Clause 31 provides that the Minister may extend dates or periods referred to in the agreement at the request of the joint venturers.

Clauses 32 to 39 are usual agreement clauses covering the determination of the agreement; the effect of the determination of the agreement; environmental protection; indemnity; subcontracting; arbitration; consultation; and notices.

Clause 40 provides that the Gas Undertakings Act shall not apply to the joint venturers in relation to gas transmitted through the pipeline nor to gas used by any of the joint venturers and their respective associates in, or for, their mining and processing activities. Clause 41 provides that the Building and Construction Industry Training Levy Act and the Building and Construction Industry Training Fund and Levy Collection Act shall not apply to the joint venturers when they are acting under the agreement.

Clause 42 enables the joint venturers to use existing facilities instead of providing for the construction of new facilities. Clause 43 enables stone, sand and gravel to be taken from the route of the pipeline for construction purposes without payment of royalty, and provides that the State will grant necessary licences under the Rights in Water and Irrigation Act for abstraction or disposal of water.

Clause 44 provides stamp duty exemption on nominated transactions for a period of up to two years following the commissioning of the pipeline. Clause 45 contains the parent company performance guarantees for two of the joint venturers. Clause 46 provides that the agreement will expire at the end of 42 years following the initial grant of the pipeline licence. Clause 47 provides that the agreement will be interpreted according to Western Australian applicable law.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Tom Helm.

#### **BILLS (4) - RETURNED**

1. Petroleum Royalties Legislation Amendment Bill.
  2. Business Franchise (Tobacco) Amendment Bill.
  3. Acts Amendment (Vehicles on Roads) Bill.
  4. Poisons Amendment Bill.
- Bills returned from the Assembly without amendment.

#### **STATE FORESTS - PARTIAL REVOCATIONS, BE CARRIED OUT**

##### *Assembly's Message*

Message from the Assembly received and read requesting concurrence in the following resolutions -

That the proposal for the partial revocation of State Forests Nos 7, 13, 17, 22, 24, 25, 31, 37, 38 and 65 laid on the Table of the Legislative Assembly on 7 September 1993 by command of His Excellency the Governor, be carried out.

That the proposal for the partial revocation of State Forests Nos 4 and 54, laid on the Table of the Legislative Assembly on 2 November 1993, by command of the Deputy of the Governor, be carried out.

That the proposal for the partial revocation of State Forest No 65, laid on the Table of the Legislative Assembly on 29 March 1994 by command of His Excellency the Governor, be carried out.

#### **ADJOURNMENT OF THE HOUSE - ORDINARY**

**HON GEORGE CASH** (North Metropolitan - Leader of the House) [6.20 pm]: I move -

That the House do now adjourn.

*Adjournment Debate - Stateships, Hai Sun Hup, Conflict of Interest*

**HON E.J. CHARLTON** (Agricultural - Minister for Transport) [6.20 pm]: Earlier this afternoon considerable debate occurred during an urgency motion on aspects of contracts, consultants and expressions of interest from the private sector concerning the operation of Stateships. Part of that was a very strong attack on Mr Mark Newton, the consultant I have appointed, over comments made by a Stateships' agent in Singapore, Hai Sun Hup. The Opposition said that this agent was most upset and had complained bitterly that Newton may be part of a consortium which could be involved in the takeover of Stateships' operations and, therefore, was creating a conflict of interest if at the same time he was assessing Stateships' future operations.

Following the conclusion of that debate I have received information in which members might be interested. It appears from the advice given to me this afternoon that the shipping agent in Singapore, Hai Sun Hup, is a partner in a proposal to take over the future operations of Stateships with another proponent. We have an agent accusing a consultant of being involved in a consultancy that may lead to some future activity as part of a consortium to take over Stateships when, at the same time, the same agent is also part of one of the expressions of interest - not a tender as the Opposition claimed today. This agent is complaining about the operations of the consultant when the same agent making the complaint has joined with Marko Lucido in putting forward expressions of interest to take over Stateships. Why would the agent try to denigrate and discredit the consultant? If one wants to draw some conclusions along the lines the Opposition has been suggesting, particularly when it has put all its faith in the comments of this agent, one could conclude that this agent may be looking after his vested interests as a party interested in taking over Stateships in partnership with another operator.

*Adjournment Debate - Bedford, Brad, New Electroplating Business, Former Midland Workshops Employee*

**Hon E.J. CHARLTON**: I thought an important and positive event which happened yesterday may have been reported last night on the news because the media were in full attendance. However, I understand it received some coverage on radio. A young man aged 31, Brad Bedford, who started his apprenticeship at Westrail at the age of 15, with the closure of Westrail's Midland Workshops, has started a new electroplating business in Kelmscott. He will be doing considerable work not only for Westrail but also for a number of other Western Australian companies. They have strongly supported him in setting up his business. As a result of the establishment of his business they can get their work done here in Western Australia rather than sending it to the Eastern States. I met all of them yesterday and it was a tremendous opportunity to see a young man with initiative and the support of his family.

He began this operation in the past few days and has worked tirelessly over the past few months to get his premises in place. He told me the Environmental Protection Authority had approved of his premises and was using it as an example for future developments in that type of chemical processing and technology. It is a good example of a new small business operator. He employs another person from Westrail and looks forward to having between six and 10 people on his staff in the near future. Unfortunately, while this was happening he had the misfortune to lose his father, who did not recover from a heart operation. It was very sad that his father was not there to see him, but his mother and four of his five sisters were ecstatic about what has happened. The young man said, "The best thing you ever did, Eric Charlton, was to close down Midland Workshops, because it has given people like me an opportunity to be in business and generate an opportunity for other businesses and industries in Western Australia for work that was already going to the Eastern States." A managing director from another private company said that he was getting his work done there now and was looking forward to servicing South East Asia. He said that he would be subcontracting his electroplating to Brad Bedford's new electroplating business. I was very disappointed that the media -

**Hon Tom Helm**: You dill.

**The DEPUTY PRESIDENT** (Hon Barry House): Order!

**Hon E.J. CHARLTON:** Hon Tom Helm says I am a dill because I referred to a young man and his family who has shown some initiative. I said that I hoped he makes a large profit and that his family benefits significantly. It was heartening to see the support provided by his family and other people for the new direction in his life. He said there was no future at Midland under the previous Government because it would not put anything into it and was letting it die.

**HON BOB THOMAS** (South West) [6.28 pm]: I do not think the House should adjourn until we examine one of the issues the Minister has just raised. I am glad to hear that this former employee of Midland Workshops has managed to find a profitable business enterprise to move into. However, I do not think that justifies a decision to close Midland Workshops. The economics of the work that will be done outside the workshop does not justify closing it down, nor does it justify breaking the promise the Government made before the last election to make it into a world class trade centre.

*Adjournment Debate - Stateships, Hai Sun Hup, Conflict of Interest*

**Hon BOB THOMAS:** Mr Charlton commented also about Hai Sun Hup, one of the shipping agents in Singapore. He has brandished a note in this place showing that Hai Sun Hup was a partner with one of the 12 companies which are proponents of privatising Stateships. I do not think that justifies Mr Charlton's position; in fact, it makes it worse. After saying that Mr Hai Sun Hup had a vested interest in discrediting Mr Newton, Mr Charlton then went on to say that it was in Mr Newton's interests to discredit other competitors. That confirms that Mr Charlton believes that Mr Newton will eventually be one of the successful proponents to take over Stateships. Rather than discrediting Mr Hai Sun Hup with that piece of information, he is discrediting his own defence of the urgency motion today. Mr Newton has said all along that he would not be a proponent. Mr Charlton should give a full and proper explanation about what he knows about Mr Newton's future designs on privatising.

**Hon John Halden:** Mr Charlton always blames me for pulling people through the mud. Maybe he should say what he is doing with this issue; that is, he and his mate are pulling someone through the mud.

*Adjournment Debate - "Better Management, More Jobs", Small Business Successes*

**HON TOM HELM** (Mining and Pastoral) [6.32 pm]: I share in the congratulations of the House in seeing successful small business prosper as a result of the activities of this Government to try to undermine small business with its slogan "Better management, more jobs". It flies in the face of all reason when the Government says "Better management, more jobs" and then sacks approximately 300 people but highlights the success of about 10.

*Adjournment Debate - Water Contamination in Catchment Areas, Poison 1080 Used to Kill Feral Pigs*

**HON SAM PIANTADOSI** (North Metropolitan) [6.33 pm]: It is unfortunate that Hon Eric Charlton is not here because I refer to a question which was asked of him as the Minister representing the Minister for Primary Industry earlier today by Hon Kim Chance about the poison 1080 and how it was being applied. My recollections go back 14 years when I was with the water supply union. We raised concerns at the time, as did the then Opposition, about the use of the poison 1080 within the catchment areas for the killing of feral pigs. It was being planted near the streams that carried water into the dams. That practice was stopped only after John Colless and Peter McCriskey - who I think were from Channel 7 - were taken to court by the then Court Government for disturbing the poison baits. Both were fined accordingly at the time. The practice of using that chemical to kill feral pigs, especially in the catchment areas, was then stopped. I have asked Hon Kim Chance to obtain further clarification for me. I also asked a question of the Minister, but he was not in a position to answer. The question of whether the practice is ongoing in the catchment areas should be directed to the Minister for Water Resources and the Minister for Primary Industry.

There are problems with contamination. Today more so than 14 years ago evidence is

surfacing all the time about areas that have been neglected and contaminated. The information is coming out only now. Fourteen years ago we were told that there were no problems with Agent Orange, but we are now getting the truth about that. At the same time, Agent White and a number of other chemicals are being utilised in the catchment areas. I am concerned because a number of people drink that water. I want some assurances and answers from the Minister. I hope that after the question being asked and my speaking on the subject this evening the Minister may canvass the opinion of the Minister for Primary Industry and the Minister for Water Resources on whether ongoing baiting is occurring in the catchment areas. It is a dangerous exercise and it had been stopped. I will be far from happy if it has recommenced.

Question put and passed.

*House adjourned at 6.36 pm*

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## QUESTIONS ON NOTICE

UNIFORM LEGISLATION - INTERGOVERNMENTAL  
AGREEMENTS, NUMBERS OF ACTS PASSED

1713. Hon TOM HELM to the Parliamentary Secretary representing the Minister for Federal Affairs:

How many Acts of Parliament have been passed by the Western Australian Parliament as a result of agreements between ministerial councils and heads of Government meetings and can be described as being uniform legislation?

Hon R.G. PIKE replied:

The Minister for Federal Affairs has provided the following reply -

The information is not readily available and would require a search of all Statutes. At present there exists no central repository or register of intergovernmental agreements from which this information could be readily obtained. In July 1993 Cabinet endorsed a recommendation made by the Select Committee on Parliamentary Procedures for Uniform Legislation Agreements to establish a central repository and register of current and proposed intergovernmental agreements. The repository and register are currently being established by the Federal Affairs Branch, Policy Office, Ministry of the Premier and Cabinet. A similar register is also being established by the Standing Committee on Uniform Legislation and Intergovernmental Agreements.

FISHERIES DEPARTMENT - PILBARA OR KIMBERLEY FISHERY, NET  
FISH CATCH RESTRICTION MEASURES; MONITORING

1717. Hon P.H. LOCKYER to the Minister for Transport representing the Minister for Primary Industry:

- (1) Are any measures being contemplated to limit the net fish catch in either the Pilbara or Kimberley fishery?
- (2) Are catches in the area being monitored?
- (3) If so, is it correct that a serious depletion of fish stocks, particularly bottom fish, has been indicated?
- (4) Will the Government consider measures similar to the Shark Bay fishery in these areas?
- (5) If not, why not?

Hon E.J. CHARLTON replied:

The Minister for Primary Industry has provided the following reply -

- (1) There are existing controls in both the Pilbara and Kimberley regions on all forms of commercial net fishing, including gear, seasonal and area restrictions.
- (2) Yes.
- (3) Not to my knowledge.
- (4) Management measures for each fishery will be considered through the usual management and consultation process.
- (5) Not applicable.

**LAND - AGRICULTURAL DEPARTMENT SITE, ALBANY HIGHWAY-MOIR STREET, SALE AGREEMENT**

1719. Hon BOB THOMAS to the Minister for Transport representing the Minister for Primary Industry:

Has the Government been negotiating, or entered into an agreement, to sell the existing Agricultural Department site located between Albany Highway and Moir Street, Albany near the Albany Primary School?

Hon E.J. CHARLTON replied:

No.

**BOARDS AND COMMITTEES - CHAIRMAN; MEMBERSHIP**

1733. Hon KIM CHANCE to the Minister for Health:

- (1) Who is the Chairman of the Authority for Intellectually Handicapped Persons?
- (2) What is the term of the appointment of the chairman?
- (3) Who are the committee members of the Authority for Intellectually Handicapped Persons?
- (4) What are the terms of the appointment of each member?
- (5) By whom was each person nominated?
- (6) What remuneration was paid to each member and the chairman?
- (7) When was each member first appointed?

Hon PETER FOSS replied:

The Minister for Disability Services has provided the following reply -

The functions of the Authority for Intellectually Handicapped Persons and the Bureau for Disability Services were amalgamated in December 1993 to form the Disability Services Commission. For details of the board of the Disability Services Commission and the Advisory Council for Disability Services, please refer to questions 1650 and 1653.

**CLONTARF BOYS ORPHANAGE - OWNERSHIP OF KNIVES BY BOYS, SUPERINTENDENT OF MT LAWLEY RECEPTION HOME'S UNDATED MEMO**

1880. Hon CHERYL DAVENPORT to the Minister for Transport representing the Minister for Community Development:

- (1) Did the Superintendent of the Mount Lawley Reception Home write an undated memo between 27 June 1955 and 6 July 1955 concerning the ownership of knives by boys at Clontarf Boys Town?
- (2) If so, will the Minister table that memo?

Hon E.J. CHARLTON replied:

Answer provided by the Minister for Community Development -

- (1)-(2) It will take considerable research of files, currently held at State Archives, to address the questions raised. An appropriate response will be provided in due course.

**CLONTARF BOYS ORPHANAGE - ILL-TREATMENT OF BOY, CHILD WELFARE DEPARTMENT INQUIRY**

1881. Hon CHERYL DAVENPORT to the Minister for Transport representing the Minister for Community Development:

- (1) Did two officers from the Child Welfare Department visit Clontarf boys orphanage on 18 August 1954 to investigate an accident to, and alleged ill treatment of, a boy at Clontarf?

- (2) Will the Minister give the House details of the accident to, and alleged ill treatment, of that boy?
- (3) If not, why not?
- (4) Was the principal of Clontarf at the time of the visit the same principal who was rebuked by the Director of the Child Welfare Department for ill treatment on 14 June 1956?
- (5) Was the principal of Clontarf at the time the same principal whom the Director of the Child Welfare Department noted as having ill treated a boy five years prior to 14 June 1956?

Hon E.J. CHARLTON replied:

Answer provided by the Minister for Community Development -

- (1)-(5) It will take considerable research of files, currently held at State Archives, to address the questions raised. An appropriate response will be provided in due course.

#### DOYLE, BROTHER JOSEPH - ST JOSEPH'S FARM SCHOOL, MANAGER APPOINTMENT

1882. Hon CHERYL DAVENPORT to the Minister for Transport representing the Minister for Community Development:

- (1) Was Brother Joseph Doyle appointed Manager of St Joseph's Farm School in 1945?
- (2) If so, upon what date was his appointment published in the *Government Gazette*?
- (3) Did Brother Joseph Doyle inform the Secretary of the Child Welfare Department that he had seen Brother Francis Paul Keaney belt a boy with his fists and nearly choke him so that for days thereafter the boy had thumb marks on his throat?
- (4) Did Brother Joseph Doyle inform the Secretary of the Child Welfare Department that he had seen Brother Francis Paul Keaney knock a boy over with a piece of three by two so that the boy was in bed with a head injury for several days?
- (5) Is the Minister aware that according to Brother Barry Coldrey, author of *The Scheme; Christian Brothers and Childcare in Western Australia*, (Argyle Pacific Publishing, O'Connor, 1993), Brother Joseph Doyle reported these two incidents in a letter dated 8 January 1946 to the Provincial of the Christian Brothers Order?
- (6) Will the Minister table regulations 19-22, 32 and 45 and regulation 8 under the Child Welfare Act, 1907-27 as published in the *Government Gazette* on 28 September 1934?
- (7) If not, why not?

Hon E.J. CHARLTON replied:

Answer provided by the Minister for Community Development -

- (1)-(4) It will take considerable research of files, currently held at State Archives, to address the questions raised. An appropriate response will be provided in due course.
- (5) No.
- (6) Yes. [See paper No 1240.]
- (7) Refer to question (6).

**EDUCATION ACT - AMENDMENT, COMMUNITY USE OF SCHOOL FACILITIES**

1885. Hon N.D. GRIFFITHS to the Minister for Education:

- (1) Is it the Minister's intention to introduce legislation to amend the Education Act to deal with the limitations referred to on page 19 of the "Performance Examination of the Office of the Auditor General into Utilisation of School Facilities in the Metropolitan Area" with respect to community use of school facilities?
- (2) If so, when?
- (3) If not, why not?

Hon N.F. MOORE replied:

- (1) Yes.
- (2) It is planned to introduce the legislation by the end of 1994.
- (3) Not applicable.

**DRAINAGE RESERVE - 39667 ON PLANTAGENET LOCATION 5110**  
*Lease Conditions*

1890. Hon BOB THOMAS to the Minister for Lands:

I draw the Minister's attention to his response to question on notice 282, where he answered "Yes" to the question "Can the Minister confirm that the drainage channel and excavation spoil on drainage reserve 39667 on Plantagenet location 5110 were within the boundaries of the reserve?" and the subsequent answer to question on notice 1712 where it was advised that response was in error.

- (1) Would the Minister advise -
  - (a) the conditions on the lease;
  - (b) whether the extension of the channel and spoil beyond the boundary of the reserve is in contravention of the lease conditions; and
  - (c) who is responsible for ensuring that lease conditions are complied with?
- (2) Does the Minister intend to apologise to the House now that he has revealed in his answer to question on notice 1712 that he apparently misled the House with his answer to question on notice 282?

Hon GEORGE CASH replied:

- (1) (a) The conditions of the lease are as follows -

Leased under section 32 of the Land Act 1933, for the purpose of drainage for a term of one (1) year at a rental of \$100 subject to the following conditions -

  1. The land shall not be used for any purpose other than "Drainage" without the prior approval in writing of the Minister for Lands.
  2. The lease shall be renewable at the will of the Minister and subject to determination at three months' notice by either party after the initial term of one (1) year. Should the lease be so renewed, the rental fixed may be reappraised at such amount as the Minister may at any time and from time to time determine.
  3. The rent shall be subject to reappraisal at the end of the

third year of the term of the lease and each successive three yearly period thereafter.

4. The lessee shall pay cost of survey when called upon.
  5. The lessee shall not without the previous consent in writing of the Minister assign, transfer, mortgage, sublet or part with the possession of the demised land.
  6. The lessee shall indemnify the Minister against all claims for damage to property or persons arising from the use of the land.
  7. The Minister or his representative may enter the land to inspect the property at any reasonable time.
  8. Compensation shall not be payable to the lessee in respect of any improvements effected by him on the demised land and remaining thereon at the expiration or earlier determination of the lease.
- (b) Subject to confirmation that spoil and channel extensions spread beyond the boundary of the reserve since the date of commencement of the lease - 1 January 1992 - although not specifically spelt out, such action would be deemed to contravene the intent of the lease.
- (c) Land Operations Division (Leasing Sub-Section) - Department of Land Administration.
- (2) The response to part 1 of question on notice 1712 adequately clarified the position and any misunderstanding. However, the member should note that I am still awaiting him providing me with the documentary evidence to substantiate his previous claim.

#### **SMOKE BUSH - CONSERVATION AND LAND MANAGEMENT ACT AMENDMENT BILL, CONTRACT SIGNED**

1893. Hon DOUG WENN to the Minister for Education representing the Minister for the Environment:

With regards to the Conservation and Land Management Act Amendment Bill 1993 and smoke bush harvesting -

- (1) Has the contract been signed?
- (2) If not, why not?
- (3) If yes, when?
- (4) Is AMRAD the signatory to that contract?

Hon N.F. MOORE replied:

The Minister for the Environment has provided the following reply -

- (1) Yes.
- (2) Not applicable.
- (3) 22 December 1993.
- (4) Yes, AMRAD is a signatory to that contract.

#### **MINERALS AND ENERGY, DEPARTMENT OF - BENTLEY PROCESSING LABORATORY, CLOSURE**

1898. Hon MARK NEVILL to the Minister for Mines:

- (1) Is it correct that the mineral processing laboratory at Bentley of the Department of Minerals and Energy is closing down?

- (2) If not, what are the Government's plans for the Bentley mineral processing laboratory?
- (3) What revenue was received in the 1992-93 financial year by the laboratory for work completed -
  - (a) from the Government; and
  - (b) from private industry?
- (4) What expenditure was incurred for the 1992-93 financial year?
- (5) What was the operating profit and deficit of the Bentley processing laboratory?
- (6) How many permanent or full time equivalent staff has the Bentley processing laboratory?
- (7) What proportion of the income is private work?

Hon GEORGE CASH replied:

- (1) No.
- (2) The mineral processing laboratory is moving to new facilities at Waterford, adjacent to Curtin University, as part of the Mineral Research Centre. The anticipated moving date is July 1994.
- (3) (a) \$428 000, notionally charged, and including \$356 000 for non-client project work;  
(b) \$416 000.
- (4) \$906 000, including all overheads and allowances for rent, depreciation and superannuation.
- (5) Deficit of \$62 000.
- (6) Ten.
- (7) Private industry work amounted to 49 per cent of the total income - \$416 000 out of \$844 000.

**MINERALS AND ENERGY, DEPARTMENT OF - KALGOORLIE PROCESSING  
LABORATORY, CLOSURE**

1899. Hon MARK NEVILL to the Minister for Mines:

- (1) Is it correct that the Kalgoorlie processing laboratory of the Department of Minerals and Energy is closing down?
- (2) If not, what are the Government's plans for the Kalgoorlie processing laboratory?
- (3) What revenue was received in the 1992-93 financial year by the laboratory for work completed -
  - (a) from the Government; and
  - (b) from private industry?
- (4) What expenditure was incurred for the 1992-93 financial year?
- (5) What was the operating profit and deficit of the Kalgoorlie processing laboratory?
- (6) How many permanent or full time equivalent staff has the Kalgoorlie processing laboratory?
- (7) What proportion of the income is private work?

Hon GEORGE CASH replied:

- (1) No.

- (2) The Department of Minerals and Energy has entered into discussions with the Western Australian School of Mines with a view to determining WASM's interest in taking over the operations of the Kalgoorlie metallurgical laboratory.
- (3) (a) \$149 000, notionally charged, and including \$142 000 for non-client project work;
- (b) \$201 000.
- (4) \$421 000, including all overheads and allowances for rent, depreciation and superannuation.
- (5) Deficit of \$71 000.
- (6) Six.
- (7) Private industry work amounted to 57 per cent of the total income - \$201 000 out of \$350 000.

### QUESTIONS WITHOUT NOTICE

#### MULTICULTURAL PSYCHIATRIC CENTRES - WEST PERTH, CLOSURE

1163. Hon KIM CHANCE to the Minister for Health:

- (1) Has the Government decided to close the Multicultural Psychiatric Centre in West Perth?
- (2) If yes, what will happen to the staff currently employed there?
- (3) Can the Government guarantee that adequate psychiatric services will be provided to people from non-English speaking backgrounds?
- (4) If yes, how will this be done in the absence of the Multicultural Psychiatric Centre?

Hon PETER FOSS replied:

- (1) Multicultural psychiatric services are not being closed. Following consideration of responses to a report on this service, the provision of multicultural psychiatric services is being upgraded. A central resource unit for specialist referrals and research is currently being formed. Other services for multicultural psychiatric patients are being developed throughout the metropolitan area. The West Perth premises, however, will cease to be used.
- (2) Staff members will continue to provide a service to the non-English speaking population from a locale determined by the distribution of this population and the preference of workplace of staff members.
- (3) Yes.
- (4) As discussed in the abovementioned report, via community psychiatric clinics and a specialists referral centre.

#### PORT KENNEDY PROJECT - DETAILED PLANS

1164. Hon J.A. SCOTT to the Minister for Health representing the Minister for Planning:

- (1) (a) Has the Minister seen any detailed plans by the developer for the Port Kennedy project; and
- (b) is the Minister in possession of information which suggests that the Port Kennedy project may not proceed?
- (2) (a) Has money been allocated for the establishment of a scientific park at Port Kennedy;

- (b) will the scientific park be created under its own Act; and
- (c) when will this occur?

Hon PETER FOSS replied:

- (1) (a) The Minister for Planning has seen detailed plans of roads and services for the site, laid out in compliance with the requirements of the Port Kennedy Development Agreement Act 1992.
- (b) No. The Minister is not in possession of information which suggests that the Port Kennedy project may not proceed.
- (2) The Port Kennedy Management Board has resolved to seek expert advice on the park proposal and is in the process of arranging a consultancy to achieve this end. Decisions regarding the funding of the park and attendant administrative arrangements will not be made until after the consultant's report has been considered.

#### SEWERAGE - FINANCIAL PACKAGES, MEETING

1165. Hon SAM PIANTADOSI to the Minister for Finance representing the Minister for Water Resources:

- (1) Did the Minister meet with the Minister for Finance and Premier in January of this year to discuss how to pay for the Government's sewerage strategy?
- (2) If yes, what was the outcome of this meeting?

Hon MAX EVANS replied:

First, we did not meet in January. We met just after January, so the member's facts are wrong but I will still answer the question. The Minister for Water Resources has provided the following reply -

- (1)-(2) There have been a number of meetings held to consider financial packages to address the \$800m infill sewage problems and a final decision on this issue will be made within a few weeks.

#### SEWERAGE - PEMBERTON SCHEME

##### *Documents Filed in South West*

1166. Hon SAM PIANTADOSI to the Minister for Finance representing the Minister for Water Resources:

Why did the Minister claim on "The 7.30 Report" last night that all the documents relating to the Pemberton sewerage scheme were not originally tabled because they had to come from the south west, when in fact the documents revealed the Government's secret sewerage tax plan was a memorandum from the managing director to the board of the Water Authority and clearly not filed in the south west?

Hon MAX EVANS replied:

The Minister for Water Resources has provided the following reply -

A draft submission which covers investment projects of Pemberton and Manjimup was prepared for consideration by the managing director for on-forwarding to the board of the authority. In that submission there is a reference to an environmental infill sewerage levy. This information is contained in files 61 to 65 in the South West Region Bunbury sewerage file number 12625SW.

## SEWERAGE TAX - DOCUMENTS TABLING

1167. Hon SAM PIANTADOSI to the Leader of the House representing the Premier:

- (1) Will the Premier table all documents in his portfolio in relation to the sewerage tax, including letters to the Commonwealth and the Federal Government's response?
- (2) If so, when?

Hon GEORGE CASH replied:

The Premier has provided the following reply -

- (1)-(2) No.

## BAKER, CHRIS - HEDLAND COLLEGE-COUNCIL, APPOINTMENT

1168. Hon TOM HELM to the Minister for Education:

- (1) On 18 November did the Minister write to the Hedland College Council advising it of the appointment of a Mr Chris Baker to the college council of the Hedland College?
- (2) If yes -
  - (a) on whose recommendation was the appointment made;
  - (b) what special qualifications does Mr Baker have to qualify him for this appointment;
  - (c) what were the criteria by which Mr Baker was selected against other candidates; and
  - (d) is the Minister aware that Mr Baker is a prominent member of the Liberal Party?

Hon N.F. MOORE replied:

- (1) Yes.
- (2) (a) The appointment was made under section 13(1)(a) of the Colleges Act, 1978.  
(b)-(c) Mr Baker is a very successful lawyer with his own business and a capacity to recognise the needs of the local and regional community, with an interest in and knowledge of the educational and training needs and outcomes in the area.  
(d) The member will be aware that a person's religion, creed, race or political belief is a private matter for the person concerned and it is unlawful for a person to be discriminated against or for on any of those grounds.

## WATER AUTHORITY OF WESTERN AUSTRALIA - RURAL WATER STRATEGY, SCRAPPING DECISION

1169. Hon SAM PIANTADOSI to the Minister for Finance representing the Minister for Water Resources:

Was the scrapping of the rural water strategy a ministerial or Cabinet decision?

Hon MAX EVANS replied:

The Minister for Water Resources has provided the following reply -

The rural water strategy commenced in May 1987 with a completion date of 1991. The board of the Water Authority subsequently agreed to a two year extension covering 1991-92 and

1992-93. An important part of the strategy was the requirement and willingness of local authorities and communities to contribute to and assist with construction.

**POISON 1080 - AGRICULTURE PROTECTION BOARD, USE**

1170. Hon KIM CHANCE to the Minister for Transport representing the Minister for Primary Industry:

- (1) Does any of the Minister's departments or agencies use a poison known as 1080?
- (2) If so, for what purpose?
- (3) What security and handling procedures are in place for this substance?

Hon E.J. CHARLTON replied:

The Minister for Primary Industry has provided the following reply -

- (1) Yes. The Agriculture Protection Board uses compound 1080 (sodium fluoroacetate).
- (2) Vertebrate pest management. 1080 is registered or authorised for use against rabbits, wild dogs, dingoes, feral pigs, feral goats, foxes, feral cats, rats, agile wallabies and sulphur-crested cockatoos.
- (3) The Health (Pesticides) Regulations 1956 made under the Health Act control security and handling procedures specifically for 1080. These are complemented by the board's own stringent in-house safeguards.

**POLLING - BY PREMIER'S DEPARTMENT OR OFFICE**

1171. Hon BOB THOMAS to the Leader of the House representing the Premier:

- (1) What polling has been undertaken by the Premier's Department or Premier's Office since and including December 1993?
- (2) What was the cost of the polling?
- (3) What was the purpose of the polling on each occasion?

Hon GEORGE CASH replied:

The Premier has provided the following reply -

- (1) Nil.
- (2)-(3) Not applicable.

**SCHOOLS - BALINGUP PRIMARY**  
*Verandah Used as Classroom*

1172. Hon JOHN HALDEN to the Minister for Education:

- (1) Is the Minister aware that the verandah of the Balingup Primary School is currently being used as a classroom for year 1 students?
- (2) When will the school be provided with a proper classroom to accommodate these students?

Hon N.F. MOORE replied:

- (1) I am aware that it was a school-based decision some years ago to relocate a class from a classroom to the enclosed veranda and use the classroom as a library.

- (2) Provision of a temporary classroom will be dependent on the future availability of these facilities and the needs of other schools.

**WORKPLACE AGREEMENTS - NUMBERS REGISTERED**

1173. Hon SAM PIANTADOSI to the Minister for Health representing the Minister for Labour Relations:

- (1) How many workers in Western Australia have signed workplace agreements which have been registered under the new Workplace Agreements Act?
- (2) How many of the agreements registered are small business and how many are large business?
- (3) How many collective agreements have been registered since the new Act was enacted?

Hon PETER FOSS replied:

- (1) A total of 2 501.
- (2) The Commissioner of Workplace Agreements at present does not differentiate between small and large business in his statistical records.
- (3) Thirty.

**WATER AUTHORITY OF WESTERN AUSTRALIA - CHURCHMANS BROOK ESTATE AND WALLANGARRA, SCHEME WATER DELIVERY**

1174. Hon J.A. SCOTT to the Minister for Finance representing the Minister for Water Resources:

- (1) Did the Water Authority of Western Australia give a commitment to deliver scheme water to the Churchmans Brook estate, prior to amendment No 92, which changed the zoning from special rural to urban?
- (2) If so, on what basis was this commitment given?
- (3) Did the Water Authority refuse to supply scheme water to the Wallangarra development near Wungong Dam?

Hon MAX EVANS replied:

- (1)-(3) No; however, water could be made available upon payment of full cost by the developer.

**STATE BUDGET - ESTIMATES OF REVENUE AND EXPENDITURE, FORWARD ESTIMATES RELEASE**

1175. Hon MARK NEVILL to the Minister for Finance:

When will the Government honour its pre-election commitment to release forward estimates of revenue and expenditure?

Hon MAX EVANS replied:

The Government is now finalising the Budget for the 1994-95 financial year. It has dealt with the recurrent costs and is now assessing a couple of works. They will be tabled in Parliament on 9 June. At this stage, I think we will have the forward estimates within a few weeks after that.

**STATE BUDGET - ESTIMATES OF REVENUE AND EXPENDITURE, FORWARD ESTIMATES RELEASE**

1176. Hon MARK NEVILL to the Minister for Finance:

Will those estimates be released on a monthly or quarterly basis?

Hon MAX EVANS replied:

If I have my way, they will be released once at the beginning of the year.

**NATIONAL ACCOUNTS - EXPLORATION EXPENDITURE**

1177. Hon B.K. DONALDSON to the Minister for Mines:

What are the latest Australian Bureau of Statistics figures for exploration expenditure throughout Australia for the December 1993 quarter, particularly those relating to Western Australia?

Hon GEORGE CASH replied:

National expenditure for the December 1993 quarter rose 19.6 per cent from the corresponding quarter in 1992. In that period expenditure on gold exploration rose 11.5 per cent from the September quarter to \$111.6m, while petroleum exploration fell 5.3 per cent to \$131.2m. I am, however, pleased to advise the House that exploration in Western Australia has risen 29 per cent from \$91.6m for the December quarter in 1992 to \$119m for the December quarter in 1993. Total exploration expenditure in Western Australia for 1993 rose 19 per cent from \$334.8m in 1992 to \$398.6m in 1993.

I ask the House to note that this figure is for the period just before the Federal Labor Government's damaging native title legislation. I believe that, with the interventionist tactics shown by the present Federal Government, this growth could be threatened and exploration and mining peppered with damaging delays such as those we have tragically witnessed with the Broome crocodile farm fiasco. I believe this growth in exploration, which places Western Australia increasingly ahead of all other States, is a direct response to the policies and continued direction provided by this Government. All members of this House should applaud the efforts of the mining and exploration companies for their further commitment to elevating the mineral wealth of Western Australia leading to the further financial growth of this great State.

**MINISTERS OF THE CROWN - MINISTER FOR EDUCATION**  
*Discretionary Fund, Expenditure*

1178. Hon JOHN HALDEN to the Minister for Education:

How much money has the Minister spent from his discretionary fund?

Hon N.F. MOORE replied:

In 1993 the total expenditure was \$39 183 of which \$2 630 was spent by my predecessor before the election. As a matter of interest, she spent \$104 554 in 1992. In 1994 I have expended \$5 000 to date. The account operates on a calendar year basis.

**EDUCATION DEPARTMENT - CORPORATE EXECUTIVE, MEMBERSHIP**

1179. Hon JOHN HALDEN to the Minister for Education:

- (1) Who are the members of the Education Department's corporate executive?
- (2) What is the value of each salary package?

Hon N.F. MOORE replied:

- (1) Director General, Mr G. Black; Deputy Director General, Mr J. Skivinis; Executive Director (Education Services), Ms D. Kerr; Executive Director (Schools Operations), Ms L. Scott; Executive Director (Schools Operations), Mr P. Frizzell; Executive Director (Schools Operations), Mr P. Browne; Acting Executive Director (Resources and Services), Ms S. Murphy; Acting Executive Director (Human Resources), Mr G. Robson.
- (2) Director General, special 8, \$133 241 plus vehicle; Deputy Director General, class 3, \$86 516 plus vehicle; Executive Director (Education Services), class 2, \$82 308 plus \$8 231 contract allowance, plus vehicle;

Executive Director (Schools Operations), class 2, \$82 308 plus \$8 231 contract allowance plus vehicle; Executive Director (Schools Operations), class 2, \$82 308, plus vehicle; Executive Director (Schools Operations), class 2, \$82 308 plus vehicle; Acting Executive Director (Resources and Services), class 2, \$82 308 plus vehicle; Acting Executive Director (Human Resources), class 1, \$78 098 plus vehicle.

Hon Mark Nevill: They earn more than us!

Hon N.F. MOORE: I know; it is extraordinary, but most of these people were on contract before my time.

**POISON 1080 - AGRICULTURE PROTECTION BOARD, USE**  
*Feral Pig Baiting in Catchment Areas*

1180. Hon SAM PIANTADOSI to the Minister for Transport:

Will the Minister confirm that the Agricultural Protection Board is still using 1080 for the feral pig baiting in the catchment areas of the Water Authority of Western Australia?

Hon E.J. CHARLTON replied:

This comes under the responsibility of the Minister for Primary Industry. I recommend the member put that question on notice.

**EDUCATION DEPARTMENT - CORPORATE EXECUTIVE, MEMBERSHIP**

1181. Hon JOHN HALDEN to the Minister for Education:

- (1) Were the Minister's recent appointments to the Education Department's corporate executive based on the recommendations of a selection panel?
- (2) Who was on the selection panel?
- (3) For each of the four positions, did the Minister accept the recommendation of the selection panel?
- (4) In the case of any of the positions, was the Minister given a short list from which to select the successful person for the job?
- (5) Did the selection panel make more than one recommendation to the Minister for any or all positions?

Hon N.F. MOORE replied:

- (1) The Public Service Commissioner approved the selection panel's recommendations in making the recent appointments to the Education Department's corporate executive.
- (2) The selection panel consisted of: Mr Greg Black, Director General, Education Department, chairman; Ms Lesley Parker, Associate Professor, Curtin University of Technology; Ms Therese Temby, Director, Catholic Education Office; Mr Jerry Skivinis, Deputy Director General, Education Department.
- (3) The panel's recommendations were to the Public Service Commissioner, who approved them in every instance.
- (4)-(5) No. See answer (3).

**SWAN BARRACKS - FUTURE PLANS**

1182. Hon TOM HELM to the Minister for Health representing the Minister for Heritage:

What are the State Government's plans for the Swan Barracks complex?

Hon PETER FOSS replied:

The future of the Swan Barracks is being considered by a subcommittee of Cabinet.

**SCHOOLS - YANCHEP PRIMARY**  
*Upgrade and New Library; New High School*

1183. Hon JOHN HALDEN to the Minister for Education:

- (1) Prior to the 1993 State election, did the coalition promise to -
  - (a) upgrade the primary school at Yanchep;
  - (b) build a new library at the primary school;
  - (c) begin a new high school for Yanchep and Two Rocks?
- (2) What progress has been made on the fulfilment of these promises?

Hon N.F. MOORE replied:

- (1)
  - (a) Yes.
  - (b) Yes
  - (c) It was proposed to establish a secondary campus on a new high school site that it was believed belonged to the Government. The secondary section has not been proceeded with because it subsequently became apparent that the Government did not own the land and the cost of acquisition would be in the order of \$1.5m.
- (2) An amount of \$200 000 has been set aside in the 1993-94 Budget for the upgrade of the primary school, which includes a resource centre. The total cost of the project will be \$900 000, budgeted for 1994-95.

**SCHOOLS - YANCHEP DISTRICT HIGH, FUTURE**

1184. Hon JOHN HALDEN to the Minister for Education:

- (1) Does the Minister intend to close Yanchep District High School?
- (2) If so, what are the travel arrangements for the students of the high school in commuting to Wanneroo High School?
- (3) What is the likely duration of that journey?

Hon N.F. MOORE replied:

(1)-(2)

I visited Yanchep District High School early last year after becoming the Minister for Education to discuss with parents the future of that school. Members must bear in mind that it is a fairly small district high school located on a small site. It is also in a bad state of disrepair, which regrettably is common to many schools in Western Australia as a result of the past 10 years of the previous Government. It was put to me by the parents that one of the options which should be considered was that instead of upgrading the school, the high school section be closed and the children transported by bus to Wanneroo High School. It was not something I had considered but was put to me by the parent group.

Hon Mark Nevill: What about a \$50 maintenance bill?

Hon N.F. MOORE: Something must be done about the \$400m debt when the former Government left the State in a mess. The bottom line is that the parents suggested closing the high school part of the school and busing the children to Wanneroo. That proposition was put to the parents by way of a referendum. The result was about a 50:50 balance. I agreed to leave the high school section open but give those parents who wanted to send their children to Wanneroo the option of doing so. I understand that this year a number of students are attending Wanneroo and making their own transport arrangements.

It was suggested to me that the Government should put a bus on from Yanchep to Wanneroo for the students. However, if I were to do that I

would breach a long standing position of the Education Department; that is, buses are provided only to the nearest appropriate school. If the Government were to provide buses from Yanchep to Wanneroo when there was a district high school in Yanchep it would create all sorts of precedents which would be difficult to handle across the State. I have stood firm on the decision that no buses be provided but that parents who wish to send their children to Wanneroo may do so. The future of the school will be dependent upon the reaction of parents at Yanchep following the school rationalisation process which will continue this year. The parents will decide whether the high school part of the school will close. If they do, a bus will be provided for students to go to Wanneroo.

- (3) I am not aware of the exact travelling time but I could find out for the member in due course.

Hon John Halden: If they decided to keep the school open, would the Government then provide the capital necessary to upgrade the school?

Hon N.F. MOORE: Yes; that would be part of the consideration. When I attended the school initially I was talking in terms of \$1.65m to be expended at the school. In view of the fact that the Government initially had not made a decision on the future of the high school, it was agreed that \$900 000 go to the primary school part of the school. However, the parents requested that the Government defer that move until a decision had been made on the high school.

#### PILBARA GAS PIPELINE - AGREEMENT BILL, STATUS

1185. Hon TOM HELM to the Leader of the House:

I refer to the motion last Wednesday moved by the Leader of the House that Order of the Day No 8 be taken before Orders of the Day Nos 5 and 6 - the Pilbara Energy Project Agreement Bill and the Iron Ore (Mount Newman) Agreement Amendment Bill. The Leader of the House informed members that those two Bills, which were waiting to be read a third time, were related to the proposed gas pipeline. He said that it would not be prudent to proceed with them as a third Bill needed to be introduced and proceeded with to the third reading. Will the Leader of the House explain why he made that statement at that time? Why is the Bill to which he referred not on the Notice Paper for introduction? He said during his remarks last Wednesday that it was not a trick with cards. What is the status of that Bill? Does this mean that the gas pipeline and power station promised for Port Hedland can now go ahead?

Hon GEORGE CASH replied:

I do not have a copy of the question or the reply on the matters raised by Hon Tom Helm. However, I am more than happy to look at the words used later. I indicated in my response that it would not be prudent for the Government to read both the Bills a third time in this House until an agreement Bill was introduced into the Legislative Assembly. I understand that was done yesterday. As a result of its being introduced and read a second time we can proceed to the third reading of the other two Bills. As I said to Hon Tom Helm at the time, the Government certainly did not have any ulterior motive. It was a case of prudence to see that the third Bill was at least introduced in the other place.

Hon Tom Helm: Does that mean that the pipeline and the power station can go ahead in Port Hedland?

Hon GEORGE CASH: It would be necessary for the Bill to pass through both Houses. However, there is no restriction on the companies if they want to expend those funds prior to the Bills being agreed to. The consortium would be keen to see the passage of the trilogy of Bills through both

Houses of Parliament because there is agreement between the consortium and the Government for the building of that power station. As soon as the Bill is introduced into this House I am keen to see it given a speedy passage so that the Government can get on with the job in the north west.

**MINISTERIAL TRAVEL - PREMIER**  
*Queensland Trip*

1186. Hon JOHN HALDEN to the Leader of the House representing the Premier:

- (1) How many staff accompanied the Premier on his recent trip to Queensland?
- (2) What specific appointments did the Premier attend in Queensland?

Hon GEORGE CASH replied:

(1)-(2)

I am not aware of that matter. However, if the member puts the question on notice I will seek an urgent reply for him.

**"REBUILDING THE FEDERATION" - PRODUCTION COST**

1187. Hon JOHN HALDEN to the Leader of the House representing the Premier:

- (1) What was the cost of producing the report "Rebuilding the Federation"?
- (2) How many copies of the report were produced?

Hon GEORGE CASH replied:

- (1) An amount of \$12 173.
- (2) A total of 1 500 copies.

**TAFE - AND UNIVERSITIES, YEAR 12 STUDENT ENROLMENTS**

1188. Hon JOHN HALDEN to the Minister for Employment and Training:

- (1) How many 1993 year 12 students enrolled in technical and further education courses in 1994?
- (2) What is the volume and percentage change on the previous year?
- (3) How many 1993 year 12 students enrolled in universities in 1994?
- (4) What is the volume and percentage change on the previous year?

Hon N.F. MOORE replied:

The information on the student data system is an unreliable indicator in this area, as it relies upon students completing the section of the enrolment form which relates to the last year they completed school. The following estimate of year 12 school leavers is based on data taken from the enrolment management system.

- (1) In 1994, to date, approximately 5 500 year 12 school leavers have enrolled in full time TAFE courses.
- (2) In 1993, the comparable figure was 5 941, which included enrolments in access courses which in 1994 have not been processed through the enrolment management system.
- (3) Based on first and second round offers from the Tertiary Institutions Service Centre, 5 329 students from year 12 in 1993 enrolled at university in 1994. These figures are preliminary and include repeaters. The 1994 university enrolment data was due to be finalised after the higher education contribution scheme due

date of 31 March. Final accurate enrolment figures will not be available until 31 May 1994, when universities have completed all their checks.

- (4) The increase in enrolments from 1993 to 1994 was 533, or 11 per cent.

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