WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
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1998

LEGISLATIVE COUNCIL

Wednesday, 24 June 1998

Legislative Council

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THE PRESIDENT (Hon George Cash) took the Chair at 4.00 pm, and read prayers.

STANDING ORDERS

Amendment

HON E.J. CHARLTON (Agricultural - Minister for Transport) [4.03 pm]: I move -

That -

1. Sitting and Adjournment of House -

Standing Order 61 is amended by -

(1) repealing paragraph (a) and substituting the following -

(a) Unless otherwise ordered, the Council shall meet for the despatch of business in each week at 3.30 pm on Tuesday, 4.00 pm on Wednesday and 11.00 am on Thursday. Unless previously adjourned, the House shall continue to sit on Tuesday and Wednesday until 10.00 pm and 5.00 pm on Thursday. ;

(2) deleting "11.00 pm" and "6.00 pm" in paragraph (b) and substituting "10.00 pm" and "5.00 pm"; and

(3) deleting "10.55 pm" and "5.55 pm" in paragraph (c) and substituting "9.55 pm" and "4.55 pm".

2. Business on Thursdays -

After Standing Order 61 the following is inserted -

Consideration of committee reports

61A. (1) Subject to SO's 153, 155 and paragraph (3) of this order, orders of the day that are, or involve consideration of, reports of committees, including joint committees, have precedence on each Thursday over other orders of the day until 1.00 pm.

(2) Any debate in progress at the time prescribed in paragraph (1) is thereupon adjourned without question put and its resumption set down as an order of the day for the next sitting. The House shall then proceed to the orders of the day in a sequence determined by the Leader of the House.

(3) This order does not apply to a report on a Bill if the next stage of the Bill's passage is an order of the day. (*cf* SO 336 (b)).

3. Business Management -

After Standing Order 125, the following is inserted -

Arrangement of business

125A. (1) In this order **"Committee"** means a meeting of the Leader of the House with the Leader of the Opposition and such other members as the Leader of the House may invite.

(2) The Committee shall meet at a time and place fixed by the Leader of the House.

(3) The Committee is to discuss with the Leader of the House:

(a) the content, order, and routine of business for each sitting day in the following week;

(b) a day or days by which each or any of the remaining stages of a Bill might be completed;

(c) the referral of a Bill or other matter to a specified committee and, if

desired, a date on which that committee report on the Bill or other matter;

(d) such things, consistent with the rules and orders of the House, as will facilitate the orderly conduct of business.

(4) Nothing in this order affects the operation of SO's 127 and 129.

4. Urgency Motions -

Standing Order 72 is amended by adding the following paragraph -

Unless by a suspension of standing orders, a motion to adjourn the House under this standing order shall not be made on a sitting day other than a Tuesday.

5. Time reserved for Committee meetings

Standing orders are amended by inserting the following chapter -

Chapter XIXA

Application

302A. This chapter applies to standing and select committees of the Council but does not apply to joint committees.

Committee meetings

302B. (1) Unless otherwise ordered, committees shall meet for the transaction of business until 3.30 pm on each Wednesday on which the House is scheduled to sit.

(2) Paragraph (1) of this order is in addition to, and not in substitution for, any other time at which a committee may meet.

6. Stages of Bill referred to standing committee

After SO 234 the following is inserted:

Procedure after second reading for a Bill reported from a standing committee with amendment

234A. (1) Where amendments to a Bill:

(a) are recommended by a standing committee; and

(b) no other amendments have been published at the time at which the order of the day for the committal of the Bill is called,

the Minister or member in charge of the Bill may thereupon move *That the amendments recommended by the . . . Committee be agreed to*. If that motion:

(c) is agreed to, the amendments are made and the third reading of the Bill is an order of the day for the next sitting;

(d) is not agreed to, the Bill is committed according to the order of the day.

(2) In a Committee of the Whole House on a Bill reported from a standing committee with recommended amendments:

(a) the Chairman, before putting any question on the Bill shall put the question *"That the amendments recommended by the [title] standing committee be read into and deemed part of the Bill";*

(b) the question in relation to a clause agreed to by the standing committee without amendment (evidenced by its report) shall be put, clause 1 excepted, without debate unless it is proposed to amend such a clause.

(3) If the question in paragraph (2) (a) is agreed to, the relevant clauses are amended accordingly.

(4) Nothing in paragraph (2) (b) prevents reference to the provisions of such a clause in the course of debating other clauses where the reference is otherwise relevant.

7. Time for lodging questions

SO 137 (a) is amended by -

(a) deleting all words after "than"; and

(b) substituting the words -

midday on any sitting day.

As you are very much aware, Mr President, you and other members collectively have had a very serious look at the standing orders over a fair period of time in an attempt to ensure that the procedures of this House can be carried out in an efficient manner and to ensure the times of sitting and the methods by which we approach a wide spectrum of issues enable them to be dealt with in the best way. You and other members, Mr President, have also taken on board the responsibilities of members involved with the committees of this House and their sitting times. The community as a whole do not appreciate and often do not understand the time that members put in outside the Chamber on standing committees directly associated with the parliamentary business of this Chamber. Hon Bruce Donaldson and others from our side of the political spectrum have reported to us on the consultation that has taken place with other members in this place in arriving at what seems to be a coordinated approach to deal with the proposed changes to standing orders. I trust that the motion will be widely accepted and we can have implemented the changes for the operation of the House.

HON J.A. COWDELL (South West) [4.07 pm]: We have previously on Thursday morning spoken at some length on these proposed changes. As I have on other occasions, I indicate the support of the Australian Labor Party for the new sitting and adjournment times of the House, the new ordering of business on Thursday, and the constitution of a business management committee. Members will see that the form is slightly different from the form proposed by the Standing Orders Committee, but it can achieve substantially the same effect as desired by the Standing Orders Committee. The Opposition supports the change to standing orders with respect to urgency motions, the time reserved for committee meetings and the handling of a Bill after it has been referred to a standing committee, with of course an amendment here to allow discussion on any particular clause during the short title, even if the new standing orders preclude debate where there is no amendment on the Supplementary Notice Paper. The Opposition supports these changes to the standing orders. As I have said, they are substantively in line with the recommendations of the Standing Orders Committee which in turn tried to make sure that the sessional orders which had operated successfully were transposed to become standing orders. With those few words, I indicate the support of the Labor Party for these new standing orders.

Question put and passed.

STANDING COMMITTEE ON ECOLOGICALLY SUSTAINABLE DEVELOPMENT - LAND CONTAMINATION INQUIRY

Motion

Resumed from 18 June on the following motion -

That the House direct the Standing Committee on Ecologically Sustainable Development to inquire into and report upon -

(1) The extent to which land, including groundwater -

(a) in the metropolitan area, and

(b) in the non-metropolitan area,

is contaminated by hazardous substances which pose or are likely to pose an immediate or long term hazard to human health and/or the environment.

(2) The number and location of all sites in Western Australia that are identified as contaminated by hazardous substances.

(3) The extent to which -

(a) underground storage tanks, and

(b) other activities,

are a source of contamination of land, and the adequacy or otherwise of the manner by which these sources are monitored.

(4) The extent to which there are management strategies currently in place for contaminated sites, and how they could be made more effective.

(5) The financial, health, environmental and legal implications for future redevelopment of land that has been identified as contaminated.

(6) The adequacy or otherwise of existing legislation to properly monitor and manage contaminated sites.

(7) The extent to which "dumping fees" for solid and liquid waste contribute to -

(a) land contamination; and

(b) unlawful safety practices across industry sectors, particularly the building and construction industry.

(8) The policy of the Water Corporation on providing in-fill deep sewerage in existing industrial estates and the degree to which that policy militates against desirable environmental outcomes.

(9) The effectiveness of the Government's response to the recommendations of the 1994 Legislative Assembly's Select Committee on Metropolitan Development and Ground Water Supplies.

(10) Any other matters relating to contaminated sites as the Committee deems necessary.

HON LJILJANNA RAVLICH (East Metropolitan) [4.10 pm]: The last time I spoke on this issue I commented on the need to ensure that an analysis was made of the social impact of contamination. I spoke at some length about how the matter had been ignored by the Government, and how people living close to a contaminated site or affected by land contamination in some way, feel that they have been frozen out from the process and their voices have not been heard on matters relating to arriving at solutions.

I have a July 1997 document entitled "Submission on contaminated sites - A public position paper: Assessment and management of contaminated land and groundwater in Western Australia" by Mr Lee Bell and Miss Jane Bremmer who represent the Bellevue Action Group. I would be happy to table the document. The key part of the submission deals with their frustration about being involved in the process of looking for solutions, and trying to work with the Government which they believe was fairly uncooperative and hostile to some of the concerns they expressed. At page 4, Mr Bell states -

> My experience on the OMEX and Stephenson and Ward committees indicates that the W.A. government has much ground to cover before it claims that it's consultative processes are adequate. BAG suggests that a Peer Review Panel be established to examine raw data, investigative methodology and departmental analysis of site data before remediation of any site is finalised and that the findings of this Peer Review Panel be made public before remediation plans are finalised. These panels should consist of paid independent academics specialising in the fields of toxicology, hydrogeology, environmental health, chemistry and ecosystem management. Other specialised fields of expertise should be included dependent on the case specifics of the contaminated site. This would alleviate the community perception of bias among departmental officials, scientists and regulators and allow for fast tracking of remediation projects by consensus among government community and scientists before money is spent on remediation. The aim of this measure would be to adopt long-term precautionary measures instead of ad hoc, low cost alternatives.

Mr Bell and Miss Bremmer have been involved in matters concerning the site since 1995 when they formed the Bellevue Action Group. Many times they have expressed their frustration with having to deal with government authorities and not being heard. This is a matter of great concern.

We do not want to continue the mistakes of the past. We should be able to organise ourselves and arrive at an efficient and effective process which will deliver some long term outcomes. Whether we legislate on this or not, we must address those concerns.

I turn my attention now to Minim Cove. This is a real issue because people have already started building on blocks, and have paid substantial amounts of money for their homes. The other day the local Press reported that the Minister could not give a 100 per cent assurance that no contamination remained at Minim Cove. This is a very important issue. The McCabe site overlooking the Swan River at Mosman Park was contaminated as a result of past practices by the giant CSBP fertiliser factory which closed 27 years ago. During the 60 years that the factory operated, an unknown quantity of waste product was dumped on the site, and no-one knows exactly how much contaminated soil

remains in the area. I have already spoken about the importance of assessing the extent of the contamination and the need to get the assessment right because if the assessment is not right the remediation process cannot be right.

Evidence indicates that contamination has spread beyond the site, because Swan River Trust researchers have found mussels contaminated by toxic waste in the river nearby. Therefore, toxins have the potential to spread fairly far and wide. The site has been developed for 160 home units, and workers have begun to bury the contaminated soil. However, twice since the clean up began, huge hidden waste stockpiles have been discovered at the site. I am sure that is not very comforting for people who have purchased land in the area; nor is it very comforting to know that the site has not been cleaned up properly, and question marks still hang over the clean up operation and its effectiveness.

In August last year, 3 000 cubic metres of soil contaminated with lead, arsenic and mercury were uncovered. By October that volume had increased to 46 000 cubic metres - an area equivalent to 46 Olympic swimming pools. These discoveries have put additional pressure on the capacity of the containment pit which was increased before Environmental Protection Authority approval to expand the pit by 20 per cent.

People have bought land at Minim Cove in good faith, on the understanding that no more toxins or pollutants were in the area. As a member of this place, I am concerned that some people may now be having second thoughts about their investment. For many people, their home is their life savings. They might have bought land with the expectation that their properties would appreciate, having received a clean bill of health, and that everything would be hunky-dory.

The question of a clean bill of health for the site continues to arise. The other day I picked up the *News Chronicle* dated 16 June to 22 June. An article at page 3 headed "Cove safety fear stay"demonstrates that a 100 per cent safety clearance for contamination on the site cannot be given. The article reads -

> The Environmental Protection Authority cannot give a 100 per cent guarantee for the clean-up of toxic waste at Mosman Park's Minim Cove development - and residents are outraged.

They should be outraged, because this is after the event. Why did not the Environmental Protection Authority say before the event that it could not give a 100 per cent guarantee that the clean up would be safe? It appears to be fairly inadequate for a developer to come in and develop the land, for people to invest their life savings, and for the EPA then to say that it cannot give anyone an assurance about the safety to people living in the vicinity. It is not good enough.

The article continues -

> It was revealed in Parliament last week that the EPA analysis showed a 95 per cent surety.

The article further stated -

> Mrs Edwardes said the Environmental Protection Department had used statistical analysis to determine the site's clean-up had been done with "95 per cent confidence."

If I were a resident at Minim Cove, I would be absolutely outraged that it is only 95 per cent; I would want only a 100 per cent assurance that it is absolutely safe to reside there. The article continues -

> Minim Cove Protection Group spokesman John Rogers said the EPA had admitted a lack of confidence in its own clean-up of the Land Corp site.
>
> "The land should not be sold as residential blocks if the safety of residents cannot be assured," Mr Rogers said.

I could not agree with him more. To continue -

> "A five per cent risk in regard to toxins is unacceptable."
>
> Mr Rogers was furious that the $12m operation had failed to give residents peace of mind.
>
> "The potential for litigation is huge," he said.

The problem exists because the analysis was not completed as well as it should have been prior to the development of this residential land; a transferal of the problem has taken place. People have settled and become residents there. If it is only 95 per cent surety, the comments of Mr Rogers have some very serious implications. The article further states -

> "Who will pay if residents find toxic wastes on their block?"
>
> He said the matter couldn't be treated lightly.

> "We're talking about potentially lethal kinds of waste and not biodegradable waste," he said.
>
> "If the Government cannot totally guarantee that the toxins have not been completely removed, or won't leak from the containment cell, it is putting lives at risk by selling the land off for residential purposes."
>
> He said the small initial profit from the sale of land did not justify the level of risk involved.
>
> He also questioned the methods chosen to cap a containment pit which was used as a waste dump and said capping was unsatisfactory and did not rule out leaching into the groundwater.
>
> "The wastes have already reached the groundwater - it's unsafe," Mr Rogers said.

As a follow on from that, it is reported that contamination of ground water is affecting local school populations in the area. It goes to show that if a problem is not fixed properly, a subsequent problem is created down the track. We have a case in which the EPA thought it was sufficient to cap the contaminated site without having any consideration for what happens below the surface. As a consequence, a problem has been added in that the school's water may also be toxic. An article from the *News Chronicle* of 7 October 1997 states -

> Tests will be performed on water from a bore used to irrigate the gardens and lawns of Buckland Hill School in Mosman Park after speculation that it may contain high levels of toxic chemicals.
>
> For two years disabled children have played on lawns that have been watered three times a week from a bore sunk between the school and the McCabe Street toxic pit.
>
> Minim Cove Protection Group spokesman Dr John Rogers said he feared the water used on the school's ovals could be severely contaminated.
>
> "It is possible there could be deadly levels of lead, mercury and cyanide being sprayed over the school lawns," he said. "It's appalling that the EPA (Environmental Protection Authority) hasn't tested or even known about the existence of the bore.

I do not think I have to go on, because the point is made. On the face of it, it might give people some degree of comfort: A contaminated site is identified, somebody puts a cover over it, and people think that as it is covered it is satisfactory. They might think that if they do not know any better. It is most unsatisfactory, because a range of activities happen below the surface to which many people may not give consideration and which are equally damaging, if not more damaging, in terms of the potential to affect the water supply. The water supply is then contaminated and the great risk is that it will spread through leaching. This will aggravate the problem by contaminating other areas.

I hope the committee will have the opportunity to bring before it people from the Omex site. I believe they have legitimate complaints about the processes and what has gone on with that site historically. I hope the people from Minim Cove also have the opportunity to bring to the attention of the committee some of the issues which they deem to be of concern to them, two of them I have outlined on their behalf.

The other area of contamination that I want to refer to the House relates to the Gosnells tip site in Southern River. I do not know how long the Gosnells tip has been in operation, but from what I can gather, even after it officially stopped operating as the Gosnells tip people used it as a dumping ground. This often happens in these situations. The tip has been fenced, but is yet to be capped and no other remedial action has been undertaken at this stage. The nearby residents are concerned, not only for their own health directly, because they claim that the contamination is affecting their businesses. Consequently, broader economic consequences exist as a result of the land contamination at Southern River. One group which will be gravely affected unless some positive remedial action is taken is the Southern River Kennel Zone Residents Association. I am not sure when this association was formed, but it was basically formed to protect the kennel owners who make a living out of looking after dogs on either a boarding or breeding basis. They argue very strongly that the contamination is adversely affecting not only them personally, but also their business operations. I have a letter from Marion Banks, the Secretary of the Southern River Kennel Zone Residents Association, addressed to Dr Judyth Watson, who was the local member in August 1986, outlining her concerns. She writes -

> With reference to your conversation with our President, Mike Curran, I summarise some recent incidences which have occurred at, or near, the Southern River Rd Liquid Waste Site:
>
> 1. Following the bushfire of early 1994 several members of the volunteer fire brigade were hospitalised for a period of some days after inhaling toxic fumes from the fire.
>
> 2. In July of 1994 the area was still burning underground and fumes were clearly visible from the surrounding area.

3. Several houses in the Kennel Zone have bores which provide water for their gardens. Use of this water appears to have caused the death of many plants in their garden.

4. A number of dogs which have been exercised in the vicinity of the Liquid Waste Site have become ill with poisonings of various kinds.

Miss Banks states that the major areas of concern for the residents of Southern River are -

1. The extent and degree of contamination which may have already spread from the site into the groundwater in the surrounding area.

2. The possible consequences to the health of ourselves, our children and our animals arising from the current, or future contamination emanating from the site.

3. The fact that nobody seems to have a precise knowledge of exactly what the contents of the dump are.

It is critical that before we proceed to clean up the site we know what contaminants and toxins we are dealing with. Miss Banks is also concerned that the management strategy proposed in the consultative environmental review produced by Sinclair Knight Merz Pty Ltd is based on insufficient information and provides only a superficial solution to the problem. Finally, she refers to -

> The very real possibility that, in the event of any further development in surrounding areas, the level of the water table may be disrupted to the extent that the capping proposed to prevent further contamination leaching into the groundwater may be ineffective.

It seems that the quickest solution for the Department of Environmental Protection is to cap a contaminated site. From what I have observed capping is an inadequate way to deal with a complex problem. I am not sure how the Department of Environmental Protection intends to deal with this problem if it is capping contaminated sites all over Perth. Even with my limited understanding of such sites - I am no expert, but I certainly intend to become one - I am concerned that capping is a low cost strategy that is ineffective. We cannot cheaply solve the problem of land contamination. The solutions which are effective and workable also happen to be costly. Sometimes we must pay the price so we know that the problem is fixed once and for all, because there is no point in transferring the problem.

The community's perception is that the land surrounding the Gosnells tip has been earmarked for development. I do not know whether that is true. I am alarmed because I cannot see the sense of developing a residential area close to a contaminated site. We have plenty of examples where that has not been an effective strategy, and the Government should shy away from it.

An article in *The West Australian* on 13 November 1997 refers to the possibility of a residential development on that site. The article states -

> The Environmental Protection Authority has warned that badly contaminated soil and groundwater around the planned Canning Vale-Southern River housing development is a big health risk to residents.
>
> The EPA gave the warning when advising the State Planning Commission on its proposal to rezone the area south of Perth for urban land use.
>
> EPA deputy chairman Charlie Welker said the proposal was generally environmentally acceptable but there were several concerns, including a former liquid waste disposal site in the area.
>
> . . . The soil and groundwater were clearly contaminated, Mr Welker said.
>
> Accordingly, the EPA had recommended the contaminated area should not be rezoned until the area was made safe for urban use.
>
> A plan to drain the area and lower the water table for residential development also concerned the EPA because of the risk of lowering the water levels in important lakes and wetlands nearby, Mr Welker said.

It is interesting that warnings have been issued in relation to the establishment of a residential area in Southern River. I am concerned that lobbying by developers often can override any commonsense approach to the negative environmental and social impacts that result from land contamination. I admit that the fellow to whom I spoke had a strongly held belief that it was inevitable that that land would be developed for residential purposes. That is of grave concern to me and to many people around that area. I have already mentioned the McCabe Street site. Before any residential development occurs in Southern River the land should be stripped of contaminants and be given a 100 per cent clean bill of health. It should not be 95 per cent clear; it must be 100 per cent clear before consumers

are invited to purchase land. Anything less than a 100 per cent clean bill of health is totally unsatisfactory and will leave consumers vulnerable.

I have outlined some of the overall concerns. Although I stress that I am no expert on contaminated sites, enough evidence exists to support the view that we have grave problems in the process. We must identify the contaminants and after they have been identified determine whether the immediate measure that will be undertaken by the Department of Environmental Protection is a satisfactory measure. Are short term solutions placed in the system purely and simply so that the fears of concerned residents are allayed in the short term? Is the issue addressed satisfactorily in the longer term? We need to work towards a better set of solutions to what is a complex problem. It is a problem that will not go away. Therefore, the sooner we recognise the problem and put in place stringent guidelines to address it the better off we will be.

We must identify the financial, health, environmental and legal implications of the future redevelopment of land that has been identified as contaminated, because they are important issues. From my work in relation to the Omex site, the McCabe Street site and the Gosnells tip site it is my strong view that we have major weaknesses in addressing some of those key and critical issues.

I also hold the view that current legislation is not adequate. This is an area which requires a great deal of work in order to ensure that what we end up with in future is considerably better than what we had in the past; and will address the concerns of not only the people in those three areas where there has been a strong association with land contamination, but also in all the areas where land contamination is deemed to be a problem.

I do not know whether we need a single department or a peak body or whatever; however, there is a need for something. I hope the work of the committee will identify what that something is. We need a department or body that has the appropriate expertise; has adequate funding; is strong enough to say no to development plans that are not in the best long term interests of the environment; a body that is responsive to the needs of the community and in the earliest phases of management and investigation involves members of the community by actively informing them and seeking input from them; and a body that will improve considerably on the processes we have today.

I turn to the question of dumping fees. I put term of reference No 7 in this motion because of the number of times I have been approached by members in a range of industries who have raised with me the issue of dumping fees. Although they recognise the need for dumping fees, they are concerned about the impact that high dumping fees have on the environment in causing people not to do the right thing by aiming to avoid dumping fees. There are many examples of tyres dumped in forests and liquid waste dumped in the bush purely and simply because the business person does not want to incur dumping fees which would be an additional cost to his or her business.

It is interesting to look at the relationship between dumping fees and the way businesses dispose of their waste and contaminants to establish exactly what that relationship is. On a number of occasions I have brought the attention of the House to problems with unlawful practices in the demolition industry of on-site burning of asbestos and other materials. That is certainly not in the public interest nor in the interests of workers. I want to see what is the true relationship between the increase in dumping fees and the unlawful practices across the building and construction industries, particularly the demolition industry.

I turn now to terms of reference No 8, the policy of the Water Corporation in providing in-fill deep sewerage in existing industrial estates and the degree to which that policy militates against desirable environmental outcomes. I am aware that the Government cannot do everything in a day. However, this is an issue which should be investigated because currently an in-fill deep sewerage program is in place in a number of residential areas. The plan is to get rid of old septic tanks and the resulting seepage and contamination problems they cause. This in-fill deep sewerage program will overcome those problems. However, this does not go far enough because, in my view, it should be extended to industrial estates. My office followed this up with the Water Corporation, which advised that the in-fill deep sewerage program does not target existing industrial estates. The program specifically targets existing developed standard sized residential lots where the continued use of septic tank effluent disposal systems constitutes a threat to public health, groundwater resources and the environment or constrains redevelopment. Currently this includes approximately 74 000 metropolitan and 37 000 country lots. Although this is a step in the right direction, the fact that it does not cover existing industrial estates may militate against desirable environmental outcomes. I am keen that the committee look at this issue with a view to making recommendations for the benefit of Western Australians in general.

Finally, in 1994 the Government established a select committee on metropolitan development and groundwater supplies. It presented a comprehensive and important report because it made substantial recommendations about groundwater supplies. In particular, chapter 7 addressed the question of groundwater pollution. From that perspective it provided very interesting reading for me. The report made a wide range of recommendations. When I read through them I thought they were very good recommendations on the issue of metropolitan development and

groundwater supplies. I want the committee to look at those recommendations, particularly in relation to groundwater pollution, in order to establish the implementation of some of the key recommendations in this important report.

This is an important issue which will not go away. It is an issue that has been around for a long time. It causes a lot of dissatisfaction in local communities. People directly affected by land contamination claim that their lives have been disrupted, in some cases destroyed; the financial investments that they have banked on are no longer worth as much as they used to be; and there are all sorts of complaints about personal health.

It is a serious issue, and one which I believe deserves the attention of a standing committee. People will be able to come before the committee and provide a social perspective. It will be an opportunity to hear first hand how real people are affected by contaminated sites and the management of those sites in Western Australia. It will be a chance to speak to departmental people.

From everything I have heard and read, something is not working in the system. The system is not quite right. I say that with the greatest confidence. It does not matter which community with a contaminated site I visit, the arguments put are the same. The communities are saying they have huge problems. They want solutions but they do not want government to foist solutions onto them because it does not understand the nature of the problem. They believe the Government is not listening and will not hear what they have to say.

The referral of this motion to a committee will give those people a great deal of comfort. It will enable them to appear before the committee to put their case. Members of the committee will gain a better understanding of the problem in its holistic sense by hearing from a wide range of stakeholders. It will enable us to do that and to undertake research and inquire into areas which have not been investigated before and areas which are of grave importance to the community of Western Australia.

HON MARK NEVILL (Mining and Pastoral) [4.54 pm]: I second the motion moved by Hon Ljiljanna Ravlich. I have been interested in contaminated sites for many years. In 1988-89 I wrote a paper and presented it to Hon Peter Dowding, who was the Premier at the time. The paper called on the Government to set up a waste management and minimisation board. That board would minimise waste from existing plants and look at the backlog of contaminated sites around the State and systemically clean them up.

A major site of interest to me was Wittenoom. Most members are aware that I am a geologist and that I take an interest in that area. Wittenoom has millions of tonnes of tailings from the asbestos mine. The tailings contain 2 to 3 per cent blue asbestos or crocidolite. While the risk to people's health from those tailings dumps is not significant - that is; it is less than one in a million - if the dumps are disturbed the fibres can become airborne and, as such, are a risk to people playing on the dumps.

These tailings cannot be put back into the mines. When rock is mined it expands to a bigger volume than the area it was taken from. There has to be some other way of stabilising the wastes. I suggested to the Government that it could drill some holes in Wittenoom Gorge, into the Wittenoom dolomite to try to find a cave system there. Where there is dolomite or limestone there are often underground cave systems. The Fortescue River disappears just north of Newman and reappears at Millstream. When it floods, it only does so for one or two days. A couple of very thin layers of water appear on the claypans along the course. The river is running underground. One can safely conclude that there is a chain of lakes between Roy Hill station, north of Newman, and the Millstream-Chichester National Park where the river reappears.

The underground cave system is in the limestone or dolomite layer. That same limestone/dolomite layer underlies the Wittenoom mine. If one could detect a cave system in that area, the tailings could be pumped into it. There would be no real problem of contamination of water because asbestos is a magnificent filter. That is why it was used in gas masks in the First World War. The water in that area is hard and it would cement together the tailings in a very short time; I would say less than 10 years. Evaporative water coolers in the Wittenoom area soon get clogged by calcium and magnesium salts. My suggestion was never taken seriously. I lament that because the Government has spent hundreds of thousands of dollars looking at ways to build dams to contain the tailings. I believe these are only temporary measures and at risk of rupturing. I suggested the Government conduct a geophysical study of some of the caves on the Nullarbor to see if they can be detected from the surface. These caves are full of water. Water is a good conductor and one would have a reasonable chance of picking up a cave system from the surface near Wittenoom and one could then dispose of the waste material very cheaply, very efficiently and very environmentally safely.

In 1977, I conducted a study of the wastes coming out of Collie power station. I was a rather ardent advocate of nuclear energy in those days. I have not seen any evidence to change my views, but I am told I am a person whose views are hard to change. The Collie power station sends four tonnes of thorium a year up the flue plus six or seven tonnes of toxic heavy metals such as lead, zinc and cadmium. A massive amount of toxic material goes up the flue.

A lot does not and is left in the fly-ash, which is the residue at the bottom. A different partition of heavy elements is in the fly-ash which is dumped in the dams around Collie. Many years ago in Parliament I asked whether an analysis had been done of the sediment in the Collie River. The answer was yes, and that there was no trace of toxic, heavy metals in the Collie River. That may be the case, but I seriously doubt it. Nevertheless, around those coal fired power stations we have large dams containing fly-ash with very high concentrations of toxic, heavy metals. People do not seem to worry about that.

Debate adjourned, pursuant to standing orders.

[Questions without notice taken.]

NOTICE OF MOTION FOR DISALLOWANCE - LEAVE DENIED

HON KIM CHANCE (Agricultural) [5.33 pm]: I seek leave to give notice of a motion for disallowance.

Leave denied.

CONTINGENT NOTICES OF MOTION

Ruling by President

THE PRESIDENT (Hon George Cash): Last week I agreed to make a ruling on a point of order raised by the Leader of the House. Members will recall that a contingent notice of motion had been given by Hon Kim Chance to suspend standing orders in order to have a substantive motion debated ahead of the orders of the day. The Leader of the House asked whether such a motion could be triggered simply by the House reaching a prescribed item of business, in this case the orders of the day. Arguably, the contingency might have been tied to the motion to adjourn or to reaching the time for questions without notice or some other matter.

The existence of contingent notices is recognised in Standing Order No 150, but standing orders are silent on the manner and occasion of their use. It must be said that their use in this House has been rare. By contrast, the Senate has made frequent use of contingent notices for purposes similar to that intended last week. It is worthwhile pointing out the effects of the contingent notice procedure proposed last week. First, its contingent nature ensured that it would be dealt with early in the next day's proceedings. Second, because notice was given, only a simple majority was required to suspend standing orders. Third, the motion to suspend had to be debated and then resolved or adjourned before the orders of the day could be considered. Fourth, assuming the House agreed to a suspension, the substantive motion had to be resolved, without adjournment, at that day's sitting to the exclusion of all other business.

It is not difficult to envisage a situation in which regular or daily use of the contingent notice by a determined majority could seriously disrupt the routine of business and leave the Government's legislative program in tatters. It can be argued that the House, having control of its own procedure, is competent to make that decision and deal with the consequences as it thinks fit. In the face of its own rules and usages, that proposition cannot be sustained. By standing order and invariable usage, the Crown controls the sequence of business of the House. Any real or imagined attempt to depart from this convention has been stoutly resisted by successive Governments, whether or not they have been supported by a majority. Plainly, the hurdles placed in the way of suspending standing orders give weight to this view, as do Standing Orders Nos 127, 128 and 129.

Additionally, as President, I am required to ensure the orderly conduct of business. In so doing, I must afford members wishing to take part in proceedings that opportunity, while at the same time ensuring that the House resolves the matter under consideration. Unbridled use of contingent notices would lead to very disorderly conduct of business and procedural paralysis.

Until the House has had an opportunity to consider this matter, I ask members not to give contingent notices that would disrupt or set aside the normal routine of business.

TABLING OF DOCUMENTS

Ruling by President

THE PRESIDENT (Hon George Cash): I now deal with another issue arising from the terms of the substantive motion mentioned previously; namely, what constitutes a "document" ordered to be tabled by the House. Members will note that the proposed order required the tabling of a transcript of a videotape, not the videotape itself, and I should explain why that was so.

Under section 5 of the Interpretation Act 1984, a document is defined to include "any publication". That expression, under the same provision, includes a videotape. It could be expected that definitions in the 1984 Act would extend to the provisions of the Parliamentary Privileges Act 1891, which confers powers to order the production of

documents on the Houses of Parliament. However, section 1 of the 1891 Act limits the ambit of the relevant power to the equivalent power held, possessed, exercised and enjoyed by the House of Commons at the time at which the power is sought to be used. I am satisfied that the House of Commons does not assert a power to compel the production of other than written documents. Accordingly, it would be unsafe for this House to order or compel the production or tabling of electronic documents until the legal position is clarified.

It is my intention to refer both matters to the Standing Orders Committee.

HON TOM STEPHENS (Mining and Pastoral - Leader of the Opposition) [5.38 pm]: I move -

That consideration of the President's statement be made an order of the day for the next sitting of the House.

I appreciate that in the first instance the President is inviting the House to consider two important questions, both of which are appropriately dealt with by the Standing Orders Committee. However, I request that the House express its views on these two matters before the Standing Orders Committee considers them.

Question put and passed.

WESTERN AUSTRALIAN TREASURY CORPORATION AMENDMENT BILL

Second Reading

Resumed from 17 June.

HON MARK NEVILL (Mining and Pastoral) [5.40 pm]: The Opposition supports this Bill, which addresses a number of issues and brings the 1986 parent Act up to date. The Western Australian Treasury Corporation was an initiative of the Burke Labor Government and replaced operations under the Borrowings for Authorities Act of 1981. This legislation has allowed the State to borrow funds at significantly cheaper rates than was previously the case, and this has saved the State tens of millions of dollars over the last decade. It is an example of a good initiative of the previous Labor Government.

Looking back through the annual reports, I was pleased to see that the corporation's chief executive officer is still the same person as in 1987; namely, Mr Ray Hughes. With the passing parade of people in government corporations these days, one finds that no corporate memory is retained and no-one seems to know what occurred two or three years ago. I wondered how he looked as young in his 1997 photograph as he did in 1987.

Hon Max Evans: Is that a question on notice?

Hon MARK NEVILL: It cannot be a very onerous job! I wish that I could look as young as I did 10 years ago.

The 1987 annual report highlighted an aspect which is not as well reported in some subsequent reports; that is, it provides an outline of the types of facilities funded by the money raised by the WA Treasury Corporation. Some of the facilities funded in 1987 were the Sports Centre at Mt Claremont, which is now known as the Challenge Superdrome. Funding for the Aquatic Centre at Mt Claremont was also provided in that year, and the facility was extended for the World Swimming Championships in 1991. That was essential to the State's gaining the wonderful championships we hosted last year. Also listed is the redevelopment of the fisherman's harbour at Fremantle. A large number of grain cars were also acquired for Westrail. Funding was provided in that year for the construction of the Harris Dam near Collie, and the north block of the extension to Royal Perth Hospital. The hospital project languished for a number of years as it lacked funding to complete works. Also listed is the construction of a new Supreme Court building, which is that lovely library building situated next door to, but does not fit in with, the old Supreme Court. In fact, the architect responsible for that should be read the riot act.

Hon Max Evans: We all agree with that.

Hon MARK NEVILL: It is a wonderful building in its own right, but it does not seem to fit in with the surrounding heritage structures.

Funding was provided in 1987 for phase one of construction of the Hillarys Boat Harbour. The Labor Party was pasted by members opposite for about two years over the environmental problems which would occur and the disaster Hillarys would be.

Hon W.N. Stretch: Only the faces change.

Hon MARK NEVILL: Only Hon Bill Stretch did not lambast the then Government about the harbour, which is a wonderful facility for the northern suburbs. Gee, did we cop it when it was proposed and built. Nevertheless, when it was opened, not a peep was heard from any of its opponents, be they members of the then Opposition, the environmental movement or others who predicted doom.

In that same year funding was provided for the Mitchell Freeway extension, and for the redevelopment of Forest Place. Interestingly, the first local government authority to borrow money under the Treasury Corporation was the City of Perth for that project. Funding was also provided for the redevelopment of the city railway station, and the purchase of the *Australind* train.

I suppose similar projects have been financed every year since 1987 until today. It is vital that the State borrows large amounts of money at the cheapest possible rates and builds these important public facilities to be available for future generations. Debt is not a dirty word; it depends on the level of debt and what is funded by the debt. Such projects must have some ongoing benefit and not require recurrent expenditure.

To a large degree the Western Australian Treasury Corporation flowed out of the Campbell Committee of Inquiry into the Australian Financial System in the 1980s. To his eternal shame the present Prime Minister, and former Treasurer, Mr Howard, did nothing with that report Following the Campbell inquiry, the Labor Party commissioned the Martin Review of the Australian Financial System to examine the work of the Campbell committee. For a novice, Martin produced a report that was easier to read than its predecessor.

A changeover occurred during that period. There was an integration of Australian and international financial markets, and everything happened far quicker. One had to react faster and be more flexible. The Western Australian Treasury Corporation grew out of that scene.

The WATC is conservatively run and does not take risks. All overseas borrowings are carefully hedged. The annual reports over the years indicate that the corporation has had a few firsts in borrowings overseas. Recently it has borrowed Japanese yen at an interest rate of 4 or 5 per cent, and hedged that in Australian dollars, delivering very cheap money to our government, semi-government and local government authorities.

I mentioned earlier that the City of Perth first raised funds through the WATC for the redevelopment of Forest Place. The majority of local authorities now borrow through the WATC, even though they have retained the right to borrow from banks. Clearly, WATC is providing funds at more attractive rates than the banks can offer. That is a great credit to the corporation.

The Minister's second reading speech outlines the purposes of the legislation. A board of management, which has operated for the corporation, is to be formalised in this Bill. It consists of the chief executive officer; the deputy chief executive officer, Mr Butler; the Under Treasurer, John Langoulant; and David Eiszele from Western Power. Also, provision is to be made to bring in three other persons from private industry to be appointed as non-executive directors. That will add to the expertise of the board in advising the corporation in its activities.

A number of functions relating to the provision of advice on financial management and managing investments have emerged as the authority has evolved.

The scope of potential borrowers has been broadened to include government departments that need to borrow for leasing, etc; in other words, the definition has been broadened. A clause in the Bill allows the Treasurer to limit the borrowings of the corporation. I do not know whether that is necessary because they are already limited by the Loans Council. The investment function powers are now the responsibility of the board.

The Bill also amends the guarantee fee so that the authority to which the funds are lent now pays the guarantee fee, rather than the Western Australian Treasury Corporation. The Bill also introduces a five year strategic development plan, annual statements of corporate intent and provides for quarterly reports to the Treasurer to be tabled in Parliament. That parallels the requirement of other corporatised bodies such as Western Power, AlintaGas and the port authorities. The Opposition believes that is a positive development.

The competitive neutrality principles which arise from the Hilmer initiatives have resulted in the repealing of section 7 of the principal Act which exempts the corporation from all state taxes and duties. The Bill will enable the corporation to pay a dividend to the consolidated fund out of any surplus it might have at the end of the financial year. That set off alarm Bills with me when I read it.

Hon Max Evans: I have the answer.

Hon MARK NEVILL: I will get the Minister on the record. The corporation has a capital base of $25m which I am told it wants to increase to $40m to cushion any sharp rises of interest rates that occur. The Government should not milk the funds from the WATC for general revenue. The main authorities such as AlintaGas and Western Power that borrow funds are already paying fees and dividends. If the Government's capital margin in the WATC is increased to pay a dividend to the Government we would be taxing those utilities twice. The WATC should not be used as a body from which the Government takes a dividend. That dividend will be lost to marketing authorities and such areas because the cost of their capital will increase.

Hon Max Evans: I had not thought of that; I thought it was wonderful.

Hon MARK NEVILL: The Minister is a wily Minister for Finance and we must keep an eye on him! It is important that the benefits of the corporation be given to the borrowers at low interest rates. I would like the Minister to give this House an assurance that the Bill will not be used as a revenue raising facility by the Government. That would result in double taxing the authorities when it can reap the dividend from those utilities later.

I refer to the checks and balances on the WATC. If the Government tried to screw revenue out of the WATC, the big borrowers would wince, if not scream. It would lead to higher interest rates on the money they were borrowing. It would also cause the credit rating agencies to examine the performance of the WATC. They would probably have something to say about the level of funds the Government may draw from the WATC.

Table 5 at page 203 of 1997-98 Budget Paper No 3, which is the economic and fiscal overview, indicates that additional borrowings are limited by the deficit the Government incurs during a financial year and the Loan Council allocations agreed at the Premiers' Conference. They are reported in these budget papers each year. There is no global limit on how much to borrow, but it is linked to the State's deficit. Other checks and balances exist regarding the amount of funds the corporation can borrow.

I do not see any problems with this legislation. It is progressive. However, I sometimes wonder about the benefit of some sections in legislation, particularly proposed section 8B(3) in this Bill which reads -

> (3) The remuneration of members of staff and other terms and conditions of employment shall not be less favourable than is provided for in -
>
> (a) an applicable award . . .
>
> (b) the *Minimum Conditions of Employment Act 1993*.

It states the obvious; I do not understand its purpose.

Hon Max Evans: It is bureaucratic jargon.

Hon MARK NEVILL: I presume somebody with more knowledge than I included it for a good reason. The Opposition supports the Bill.

HON HELEN HODGSON (North Metropolitan) [5.58 pm]: The Australian Democrats also support this Bill. Much of the legislation is connected with updating the practices of the WATC and ensuring that the legislative framework accommodates the changes in commercial practice over the past 10 years. When the corporation was originally established it had a scope and purpose. However, a number of changes in the overall regulatory system within the Australian financial system meant that a certain amount of updating was required. It appears that Treasury Corporation needs legislative backing to ensure it is able to operate within the new framework.

The Treasury Corporation effectively operates as the internal financing arm of the Government. It seeks finance for government agencies. I gather that the agencies get the bulk of their funding through the Treasury Corporation and very rarely, if ever, obtain financing from outside that source. The long title as amended significantly extends the powers of the Treasury Corporation because it will allow a very broad range of financial services to be offered, limited by the provisions as amended in the Act.

I will address other provisions such as the restructuring proposals for the board of directors and accountability mechanisms.

Sitting suspended from 6.00 to 7.30 pm

Hon HELEN HODGSON: One of the key features in the Bill is the restructuring proposal, so that there will be a board of directors to operate the Treasury Corporation. The Treasury Corporation is currently constituted by the Under Treasurer because of the need to have a person in the legal context who is responsible for the operation of the Treasury Corporation. However, the restructuring to give the Treasury Corporation a board of directors will ensure that the legal personality is maintained. Under the current structure one person has the responsibility. That person acts under the approval of the Treasurer in most matters. The restructuring will ensure that the board will have more autonomy because in most instances the board will not be directed by the Treasurer and will not be required to seek the approval of the Treasurer but will act independently. The Treasurer will have the power or right to intervene in only a limited number of situations.

I note that this is referred to in the second reading speech as giving more accountability to the Treasury Corporation. I am not quite sure that that accountability is used in the same context as I usually use that phrase. Autonomy is not the same thing as accountability. In the commercial world a board has a certain responsibility to its shareholders.

That is all detailed under Corporations Law, which spells out the responsibilities and the penalties if the responsibilities are breached. This legislation is severing the link between the Treasurer, who is responsible for the portfolio area, and the board by removing the Treasurer's approval in most cases. I question whether it is eating away at the roots of our Westminster system of democracy, where ultimately the Minister responsible must take responsibility for all actions that happen in the portfolio area. By interposing a board, are we saying that the board, represented by certain senior public servants and directors, will have to take responsibility for actions which previously would have gone through the Treasurer to the Government? By saying that the accountability rests at the board level, are we severing the accountability to the public under the Westminster system?

I note there are some fairly substantive mechanisms for reporting to the Government and to taxpayers. The reporting mechanisms are there, but reporting is not necessarily the same as ensuring that the appropriate person is responsible. Where the Treasurer is not the person giving approvals and directions, I question whether the Government through the Treasurer is responsible for the actions of the Treasury Corporation or whether we are imposing that burden on the board as an interim mechanism.

On that issue I have a query on section 19 of the principal Act. I am not sure whether it is appropriate in the new regime, which is severing a lot of the links between the Treasurer and the board. Under section 19 of the Act the Treasurer can delegate powers to any person. I am querying who would be the appropriate person to whom the Treasurer would delegate powers. If the powers have now been limited to a couple of specific issues, such as setting borrowing limits and when an agency seeks funding requiring there be Treasury approval, who would be the appropriate delegated person? Would a board member be the person giving approval for the board to act in a certain way? I am not sure that the provision has any practical operation under the new regime. I would like to hear the Minister's comments on that when he sums up the debate on the issue.

We have taken a lot of interest in the structure of boards in legislation that has come before this place. We firmly believe that the board should represent the interests of the people on behalf of whom it is acting. For that reason in certain legislation we have looked at the interest groups and tried to ensure that they are represented on the boards. I note that the Bill in its current form ensures that public servants and qualified people are on the board. The key requirement is that they have relevant commercial or financial experience. That sets my mind at rest that the people who will be on the board will have the appropriate experience. The Treasury Corporation is essentially servicing the public sector. Because it is not serving the wider community but public authorities which seek financial grants as an in-house Treasury arrangement, it is quite appropriate for the structure of the board to be as it is now.

I have no problem with enabling the Treasury Corporation to get on with the job of managing the loans portfolio efficiently and effectively. Through managing the portfolio for all of the public sector, we recognise that efficiencies are to be gained.

I query the breadth of investment powers available to the Treasury Corporation. The clause that enables the Treasury Corporation to invest the funds available to it, which is obviously a necessary requirement, is drafted very broadly. It allows the Treasury Corporation to invest wherever it thinks appropriate. Would the Treasury Corporation consider it appropriate to enter into investment in a petrochemical plant? Would it take shares in a gas pipeline that somebody in the future might decide it is necessary to dispose of? The breadth of investment powers leaves to the Treasury Corporation the commercial decision of whether to invest in those entities. People make commercial decisions based on advice and opinion at a particular time. Hindsight will always tell us when decisions are wrong and bad. We hope that people learn from hindsight. This clause is drafted extremely broadly in allowing the Treasury Corporation to invest in whatever it chooses.

At the same time I recognise the difficulty in prescribing investments. I note that a lot of other legislation is heading away from that path. We have dealt with trustee legislation which moves away from the idea of prescribing a list, particularly in the current commercial environment, because these days many hybrid instruments have been developed and are appearing on the market, and any list developed today would be out of date by next year.

Therefore I have some concerns about the breadth of the clause. I am not sure that I have any answers, except some comments from the Minister already on the record regarding how widely the clause can be interpreted. I note the breadth of the investment powers with particular reference to other statements that have been made about the Government's proposing a system of financial responsibility on the public sector that requires a prudent management of financial risk. This clause may not be totally compatible with other principles that the Government is espousing.

Hon Max Evans: What do you mean?

Hon HELEN HODGSON: It is an open-ended clause. In other debates and other legislation there has been this proposal to ensure that we have prudent management of financial risk; yet this seems to be a very open-ended system which does not have any management built into the powers given to the Treasury Corporation.

We have looked closely at the regime for reporting. This is another issue which is very important for accountability - as the Australian Democrats see accountability. As I said earlier, a public corporation is accountable to its shareholders. Here, we must ensure that the taxpayers of this State are fully aware of what is going on.

The Bill requires that Treasury Corporation develop a number of documents, one of which is a strategic plan. No requirement is made for the strategic plan to be tabled. I understand the purpose of the strategic plan. I do not particularly like the concept of matters being "commercial in confidence". That concept should be very limited in its application, but I accept that, in this case, the financial market can be very volatile, and information, such as how the Treasury intends to invest or obtain its funds, can be significant in the marketplace and could affect the viability of such a strategy. Therefore, although I do not particularly like commercial in confidence clauses, I accept that in this case for marketplace reasons it is appropriate for the strategic plan not to be tabled.

The next document is the statement of corporate intent, which must be agreed on by the Treasurer and the board. Ultimately the Treasurer has power of veto over the statement of corporate intent through issuing directions to the board. Both the statement of corporate intent and any directions from the Minister must be tabled within 14 days unless they contain a commercial in confidence proponent. In that respect, the requirement to report to Parliament has been met. I also note that in this case the provision is 14 days and not 14 sitting days. That is a good move, because 14 sitting days could turn out to be three or four months in this place, and longer if there is a recess in between. Therefore, 14 days' real time is a better idea. That comment applies also to quarterly reports, because they must be tabled within 14 real days, and effectively will be available to members and to the public within six weeks after they have been finalised. Those are laudable measures, and I would like to see similar provisions in other legislation as it comes before this House.

I have some concerns about the impact of a couple of these issues on agencies, as they borrow funds through the Treasury Corporation. Hon Mark Nevill raised two points in his earlier comments, specifically the dividends being paid to consolidated revenue, and the impact of taxes and charges on services rendered by the Treasury Corporation. I recognise the national issues involved, such as the national competition policy and the banking reports which recommend there should be no essential difference between the way a government structure and a commercial structure is taxed. However, I question whether that is appropriate in this case. After all, who will compete with Treasury Corporation for the investment and obtaining of funds from the public sector organisations? I understand that as it is an in-house arrangement it is very unusual - I am not sure that it is possible, in most cases - for one agency to proceed to an external body to arrange its funding and finance.

Hon Max Evans: They have often threatened to do so, to get a better deal.

Hon HELEN HODGSON: They may get a better deal, if taxes are charged and if they are dealing with surpluses by paying a dividend into consolidated revenue. In practice, if this is genuinely an in-house arrangement, it is probably not appropriate for the national competition policy to be applied in this way, in this case. Surpluses are returned to agencies through lower rates, but the effect is that consolidated revenue gains at both ends of the transaction.

Hon Mark Nevill: Western Power's competitors would not agree with you!

Hon HELEN HODGSON: That is probably a different perspective! However, Western Power's competitors will not be borrowing loans on the same scale as Western Power. That is a significant difference in the marketplace, which looks at different issues in the capital market. However, taxes and charges will have an impact at the start of the transaction and at the end when there may be surpluses, because it will be returned to revenue rather than to the agency. That will have an underlying effect on the viability of the operations of the agency.

Even given my criticism of some policy aspects of the Bill, I recognise that it is important that the Treasury Corporation be permitted to operate in the current climate, as it is essentially a very volatile marketplace and it needs fairly flexible powers. This legislation achieves that end. Therefore, the Australian Democrats support the Bill.

HON MAX EVANS (North Metropolitan - Minister for Finance) [7.49 pm]: I thank members for their support of the Bill.

We have looked at government funds in different ways over the years. At one stage FundsCorp was to be a big body which would look after government money. In those days, the State Government Insurance Commission and a few other organisations decided not to put money into FundsCorp. The establishment of Treasury Corporation is a flow on from that situation.

I thank Hon Mark Nevill for his comments regarding the Treasury Corporation, and his reference to Ray Hughes, who has been the chief executive officer since the beginning of time! The State owes a great debt to Ray Hughes. If a person does a good job continually people take it for granted; but if a person goes broke, everyone notices. We do tend to take for granted a job well done. I can remember when New South Wales suffered from a shortage of

money and high interest rates, and that Government borrowed billions of dollars to put into the housing market. It was locked into a high rate of interest and that cost that Government a lot of money. Ray Hughes has withstood a lot of pressure, and we did not get caught up in losing housing loans - as occurred in other States. I am sure that Ray would not tell us what it was like. However, I can imagine the pressure he felt in those days.

Hon Mark Nevill spoke about the money that was borrowed during our first few years in government. We are rearranging our borrowings at the moment. In other words, we are paying off high interest rates and repaying debt. I wonder why Ray Hughes still has a job, because we do not seem to be borrowing any money now! He is not about to be offered a redundancy package; we recognise what he is doing -

Hon Mark Nevill: With the current interest rates, it is a good time to borrow, to build an infrastructure for the next 20 or 30 years!

Hon MAX EVANS: I would not disagree. I am not fully rapt in being debt free. The Kalgoorlie pipeline or railway and the pipeline through the north west would not have been built otherwise. There are two types of borrowings: Those that will add revenue to the State and those that will make revenue for other people. I think the member is right. Queensland is debt free and borrows a lot of money to gear up its borrowings and so on, and it plays the money market. It just depends when it borrowed money in recent times whether it is in front or behind. We will have a problem here in a few years if borrowings get much lower, if we issue tranches of a half a billion dollars instead of a billion, and if the interest rate goes up. It is a problem when we get right down near the bottom, but we will face up to that at that stage.

Hon Mark Nevill talked about proposed section 8B(2)(a). It reads -

> includes powers to determine the remuneration and other terms and conditions of service and to remove, suspend and discipline members of staff; and

I think it could happen to a lot of these other agencies. I think Western Power and AlintaGas have this arrangement whereby the boards can start fixing their rates of pay and not be stuck with the Public Service Act. With Treasury Corporation, a unique person is being brought in to do that and this provision gives the corporation the power to fix the pay to those persons and not to leave it to some outside body. That is the way I interpret it. I think a few other organisations would not mind having that from time to time. When one reads it the first time, the thought arises, why do we need that, but that is my interpretation of it.

Hon Mark Nevill asked if the Treasury Corporation would be used as a de facto taxing entity. I had not even thought of it; what a marvellous idea! It will not be used as a de facto taxing entity. He was really saying that the fees we are charging are loaded fairly heavily to bring revenue back into Treasury Corporation. Hon Helen Hodgson then asked how much would we pay out. I thought she was about to tell me that the Government is not in the competition game, therefore it does not need to keep any reserves; the money should be paid across to Treasury. Fortunately John Langoulant is not here and did not hear the member say that. In good times any financial institution should be building up reserves and not paying them out because good times are never forever and organisations need to be cushioned. A few years ago when I came to this portfolio, the Treasury Corporation was averaging out the interest rates, and some of the big borrowers were getting money at the low rate and they were cross-subsidising the others. I understand from John Langoulant this morning that a lot of that has been ironed out and the borrowers are getting the rates that are fixed at the time rather than adjusting them later. If we are going to run a corporation, we must have that strong degree of certainty of what rates we will pay and not cross-subsidise the others. The Western Australian Treasury Corporation, state agencies and local government will make their contributions to the consolidated fund by way of dividends - local government will not - from the better interest rate they have.

When Hon Helen Hodgson was talking about the national competition policy, which I have a lot of problems getting to grips with, I thought she might say that maybe we should not give them that very low interest rates because those bodies have an unfair advantage over others, so we should charge the full rate and make a profit. I think the CEO of the Treasury Corporation might like that idea. That is not what the member meant, but it is interesting to consider how the money will be handled and what will be lent to those bodies. Most of the big companies have an overseeing body that guarantees their accounts so they can borrow at a very reasonable rate.

An interesting comment was made by Hon Helen Hodgson, because I know she puts a lot of emphasis on the boards and the responsibility we should have and how it is taken away from the Premier. That is an interesting one. We had a problem when the PICL project was current; $175m was borrowed by the SGIC and loaned on to WA Government Holdings to pay for the goodwill factor, etc. In the first year we paid the last $125m of that debt.

This legislation came about in order to get tighter control because when the Burke Government bought the Holmes a Court properties and the BHP shares, the Government borrowed $400m. It was quickly borrowed from other state banks, etc. There was no institution like this. If all the borrowings had been through one body at the time, the board

would have objected to doing it. The other person did it and that is how they were able to buy those properties; about 206 million shares at about $285m and $491m was found in a matter of days to bail out Holmes a Court. Under this scheme that would not be the case.

Hon Helen Hodgson queried the openness of the investment powers of the boards contained in the Bill. The amendment states that funds to the corporation may be invested until they are required for the performance of the corporation's function and such investments as the board determines. The point was that this investment scope will allow the corporation to invest in a petrochemical plant. This is to the letter of the law correct. However it is drawing a long bow as the corporation's functions require the board to fulfil its lending responsibilities. This would be achieved only by placing funds into liquid fixed interest investments rather entities or properties so they could be realised at short notice without putting the earnings at risk. They are borrowing cash and lending cash and they should not tie it up in fixed investments.

People from Norway say one of the biggest mistakes we have made is that we do not have a share in investments in the offshore oil or gas that is coming in. That country has a direct investment in these. It is the same with a lot of European countries which have direct investment in the casinos. People ask why we have not invested in casinos. Not all those things run at a big profit and it is a risk. It is not something we have ever done in this part of the world, but it has been done in Norway with oil and gas.

Given that the state corporation must perform to an open market benchmark for its type of business, this will give it the power to compete on equal footing. This Parliament has accepted in the recent past the need for agencies to have the power to act commercially and perform efficiently in the marketplace, and the investment power sought is consistent with that given to the Water Corporation, Western Power and Alinta Gas. Directors of the WA Treasury Corporation come under the Statutory Corporations (Liability of Directors) Act 1996 and would need to ensure they acted responsibly.

Clearly, investing in any high risk long term project would not be considered responsible. In addition the credit rating agencies and the market monitoring and the organisation must be comfortable that it is acting in the best interests of the State. The corporation's borrowing margins would blow out if it was not satisfied with the way the business was being run.

It reminds me that some years ago we had to make some changes to a Bill with respect to a guarantee of short term borrowings. The Treasury Corporation was taking short term borrowings from the United States and the lenders did not want to have to deal with a statutory corporation to sue for money at a later date. The Government backed up those borrowings. It was really done so we could get a good rate in the United States money market. Other changes will come here and I think Hon Helen Hodgson said we must be ready for what they might want to do tomorrow. We do not even know what is available today; things have changed.

The big thing about this is that it has gone on for nearly 12 years. It has gone very well and I think we would all agree that one of the things we are doing is giving as much power and responsibility as possible to the board of directors, who are covered by the Statutory Corporations (Liability of Directors) Act, for what they are doing, which was not the case some years ago. The Treasurer was overriding, not through this corporation, but with other borrowings, which could create considerable problems and probably losses at the end of the day.

Hon Helen Hodgson: Is the Minister able to address my query on section 19 of the principal Bill and whether that is still relevant?

Hon MAX EVANS: Section 19 states that the Treasurer has the ultimate power by setting the borrowing limit. His is not a power of approval. The Minister or the Treasurer is always the final authority or responsible party. Reporting accountability, which the member is talking about, relates to the strategic development plan, commercial in confidence and the statement of corporate intent. This will put in place a strategic development plan. The WA Treasury Corporation will be benchmarked against financial market alternatives. It must be competitive against private sector alternatives. This benchmark worries me. We should try to do better than the benchmark; it is only a guide. The statutory authorities have a keen interest in this and they will complain if they are not receiving their rights.

Hon Helen Hodgson: My concern is about the possibility that the Treasurer will delegate powers to board members.

Hon MAX EVANS: The Under Treasurer is a member of the board, but the Treasurer will be responsible, whatever happens. He is the responsible Minister.

Hon Helen Hodgson: It does not fit into new framework; it is from the old legislation.

Hon MAX EVANS: If the board members do not like a directions given by the Treasurer they can resign. That is what should have occurred when there were problems years ago. In the normal run of financial management

operations money is turned over rapidly. The board will decide what market, what currency and whether it will hedge its borrowings. I cannot see the Treasurer buying into that. I commend the Bill to the House.

Question put and passed.

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

LOTTERIES COMMISSION AMENDMENT BILL

Assembly's Amendments

Amendments made by the Assembly now considered.

Committee

The Chairman of Committees (Hon J.A. Cowdell) in the Chair; Hon Max Evans (Minister for Finance) in charge of the Bill.

The amendments made by the Assembly were as follows -

No 1

Clause 2

Page 2, lines 2 and 3 - To delete "the day on which it receives the Royal Assent" and substitute "such day as is fixed by proclamation".

No 2

Clause 5

Page 2, line 23 - To delete "subsection (5);" and substitute "subsection (4);".

No 3

Clause 5

Page 3, line 10 - To delete "subsections (3) and (4)" and substitute "subsection (3)".

Hon MAX EVANS: I move -

That the amendments made by the Assembly be agreed to.

Hon TOM HELM: The Australian Labor Party supports the amendments.

Hon NORM KELLY: The Australian Democrats are concerned that Bills that are passed by Parliament are not subsequently proclaimed. I have directed a question on notice to the Premier about unproclaimed legislation. I can understand a delay to allow regulations of a technical nature to be drawn up. Can the Minister assure me that those regulations will be drawn up as speedily as possible and the Bill proclaimed as quickly as possible after that?

Amendment No 3 seeks to delete "subsections (3) and (4)" and substitute "subsection (3)". However, clause 5(d)(ii) deletes subsection (3) and substitutes (3) and (4). When we pass amendment No 3 clause 5(d)(ii) will read -

by deleting "subsection (3)" and substituting "subsection (3)"

That seems strange. The Australian Democrats do not have any problems with making such radical amendments, and we support the amendments.

Hon MAX EVANS: I assure Hon Norm Kelly that the delay is to ensure sufficient time to make regulations. The chief executive officer of the Lotteries Commissions knows of no regulations for new games; that matter has been referred to the Delegated Legislation Committee. I am not certain why the slip up arose between royal assent and the date fixed by proclamation.

Question put and passed; the Assembly's amendments agreed to.

Report

Resolution reported, the report adopted, and a message accordingly returned to the Assembly.

ACTS AMENDMENT (EDUCATION LOAN SCHEME) BILL

Second Reading

Resumed from 17 June.

HON LJILJANNA RAVLICH (East Metropolitan) [8.10 pm]: The Australian Labor Party supports this Bill because in practical terms what this Bill provides for is not a departure from what happens in practice now.

I seek clarification on a number of issues so that we do not go into Committee. My first concern is that the administering of low interest rate loans to some schools and training providers may have the effect of giving them an advantage in the marketplace compared to other schools and other training providers that may not be the recipients of low interest rate funding through this scheme.

Also of concern is the focus by this Government - a conservative national Government, if one likes - to shift resources and to encourage the growth of the private school sector to the detriment of the public school sector. This Bill has the potential to advantage the private school sector at the expense of the public school sector because the private school sector will be in a position to fund major capital works and the like for which they may seek funding. Because they will be in a position to be able to seek that funding, they may attract more students from the public school sector.

We have seen an enormous growth in non-government schools. I refer to the annual report of the Department of Education Services, page 18. It reads -

> During 1996/97, new non-government schools continued to open in response to community demand and with the financial support of the State and Commonwealth Governments.

It goes on to state -

> Statewide growth in school enrolments has been taken up almost entirely by the non-government school sector in recent years. The annual percentage increase in non-government school enrolments has averaged 3.5 per cent in the period 1992-1996, compared with less than 0.5 per cent in the government school sector.
>
> The percentage of all kindergarten, pre-primary, primary and secondary students in Western Australia who attended non-government schools and independent pre-schools was 26.2 per cent in August 1996 and reached 26.7 per cent in February 1997. While this percentage remains below that of most States, it is likely to approach the current national average of 29.3 per cent by 2000 based on present growth trends. In 2000, however, the national average is projected by the Commonwealth Department of Training, Education, Training and Youth Affairs, to reach 31 per cent.

It goes on -

> Since 1980 there has been a steady increase in the number of students enrolled in the non-government sector, increasing from 17.3 per cent of all students in 1980 to 26.2 per cent in 1996. Over the past five years since 1992 the percentage share has increased each year by an average of 0.6 per cent. This increase has been balanced by a corresponding reduction in the proportion of students in the government school sector.

I put on record that I am a great supporter of state schools.

Hon B.M. Scott: So are we.

Hon LJILJANNA RAVLICH: If Hon Barbara Scott's party wishes her to speak on this subject, I do not see any problems in allowing her to do so.

Hon Simon O'Brien: The member believes in monopolies on all things, including interjections.

Hon LJILJANNA RAVLICH: That is one of my concerns. There is room for both systems in Western Australia and I do not deny any parents their choice. However, the role of a State Government is to support state school education. Another issue is the already existing pressures on the low interest loans scheme; no doubt this Bill will make it easier to fund loans. I refer to page 19 of the same report which supports that. It reads -

> Funds available from the Low Interest Loan Scheme continued to come under pressure in 1996/97 with accumulative backlog of unfunded loans from 1996 and 1997 resulting from the effect of the large number and high value of loan applications received from 1995 having first call on the available funds. The allocation for 1996/97 of $26.5m was fully expended.

Clearly, there is a demand for this funding. To continue -

> In addition, a carryover requirement of almost $8m in loans for projects commenced in Catholic schools was not able to be funded by the Government in 1996/97 and these funds sought short term bridging finance from the Catholic Church's Archdiocesan Development Fund until the Government's loan funds became available early in the 1997/98 financial year.

A good thing about the Bill is it will be able to make up for the backlog of funding and private schools will be able to access funding.

In terms of educational and vocational training referred to in section 17 it states -

> The Minister may lend money for approved purposes to a private training provider ...

I do not have enormous problems with that, provided that the money is lent on an equitable basis for the approved purposes specified in the Bill; that is, the acquisition of land, construction, modification and renovation of buildings and the purchase or lease of plant and equipment, or any of those things.

One of the areas which causes me some difficulty and on which I want some assurances from the Government is that the application for the cheap loans scheme will be done on an equitable basis. I would not want to see this Government favouring some organisations, such as the Chamber of Commerce and Industry of Western Australia, at the expense of other organisations, let us say a union organisation wanting to set up a skill centre. If two organisations want to set up skill centres, I would be interested to know what the processes are to ensure that applicants will be treated in a fair and reasonable manner. I would not wish to see the Government giving preference to employer organisations at the expense of other organisations because this may be one way in which to advance their cause or acquire cheap loans for the acquisition of land, building, construction or whatever. I want some assurances that the process will be fair.

Hon N.D. Griffiths: I would venture to say you are very optimistic.

Hon LJILJANNA RAVLICH: It may be optimistic. However, as to the educational and vocational training part of this Bill, I am at a loss to understand why this has been put under an educational loans scheme and not under a vocational educational loans scheme; and why it has not been appropriately put into vocational and training education legislation rather than education legislation. We know that provisions already exist for subsidised loans.

Another concern is that the current loans are funded through the consolidated fund, which begs the question: Why has the Government introduced this Bill? In the Minister's second reading speech on page 1 he states -

> To enable such loans to be funded from the Western Australian Treasury Corporation or other commercial sources, rather than from the consolidated fund.

I do not know what is wrong with loans being funded through the consolidated fund.

Hon E.J. Charlton: Because it is a loan.

Hon LJILJANNA RAVLICH: On the face of it, this suggests that this Bill will reduce the level of debt currently shown in the Budget under the consolidated fund. The debt will now be transferred to special borrowings and will only be shown as interest repayments. Therefore, if there is a consolidated fund debt for this purpose of $250m, that amount will be wiped off next year's Budget and all we will see in the budget paper is an interest figure.

Hon E.J. Charlton: No, that is recurrent funding.

Hon LJILJANNA RAVLICH: I will be happy for some response from the Minister in relation to that.

I raise the issue of accountability. Under current arrangements the Minister for Education may make loans only to approved non-government schools, independent kindergartens and preschool centres from moneys appropriated by Parliament. This Bill will provide the Minister with the power to borrow money from various sources to support lending to such institutions without the approval of Parliament. We will go from a mechanism where parliamentary approval is necessary for this to occur to a system where that parliamentary approval is no longer required. That raises questions of accountability. The Labor Party wants some assurances that accountability mechanisms will remain in place. We accept that there can be no better accountability than the approval of Parliament.

The Labor Party wants a number of assurances on the question of interest rates. Under this Bill, the Minister will be able to borrow money from a variety of sources, including the Western Australian Treasury Corporation and any other commercial source which is able to offer competitive rates of interest. Will the interest rates agreed upon by the Government and the applicant for the loan - be it a skill centre or whatever - be fixed or will they be variable? How does the Government propose to address that issue? Will it be a fixed interest rate discounted over a long term or will it be some sort of variable arrangement? What checks and balances are in place in the system to give assurances to an organisation like the Catholic Education Commission that, if it applies for a loan with a discounted interest rate of 4 per cent in 1998, that loan will remain at 4 per cent in 2000? Will there be a subsequent interest hike? If an organisation has difficulty meeting repayment obligations or, in the most extreme circumstances, the loan cannot be repaid, who is liable for it? Under these arrangements will it be the borrower of the money or will it be the Western Australian Government and, therefore, ultimately the taxpayer?

The Labor Party considers the question of equity to be very important. Given that a wide range of institutions - from training providers to schools within the Catholic education system - will be competing for the funds, what criteria will be used for the allocation of funds? Has Treasury drawn up guidelines regarding the borrowing of funds? When will these guidelines be made available? Have any forward estimates for total borrowings been considered? If so, could they be tabled as part of this debate? As to who determines which organisations receive the cheap or subsidised loans, is there a panel arrangement so that an application is made and is considered by a representative panel consisting of a number of community and industry people? How can checks and balances be put into place to ensure that there is no cronyism whereby some organisations get the very cheap loans and others basically get nothing? These are some of the issues on which the Labor Party would like responses. Providing the responses are favourable, the Labor Party will support this Bill.

HON HELEN HODGSON (North Metropolitan) [8.24 pm]: The low interest loan scheme is a good way for the State to provide some assistance to the private or non-government school sector for capital works. It is my understanding that the loan scheme is specifically designed to assist with capital works and not to provide revenue. In that sense, it comes on top of the per capita grants the State Government provides to the non-government school sector.

Looking at some of the details of the low interest loan schemes in the 1996-97 annual report of the Department of Education Services, I note that page 19 of the report states that, as at the end of that financial year -

> Funds available from the Low Interest Loan Scheme continued to come under pressure in 1996/97 with a cumulative backlog of unfunded loans from 1996 and 1997 resulting from the effect of the large number and high value of loan applications received from 1995 having first call on the available funds. The allocation for 1996/97 of $26.5 million was fully expended.

It is obvious that this scheme is very popular. It is the only mechanism some schools have for funding capital needs.

I echo the concerns of Hon Ljiljanna Ravlich in respect of equity measures. I do not know what the selection process entails but page 87 of that annual report contains a list of low interest loans advanced to the non-government education sector in 1996-97. It covers organisations ranging from the Guildford Grammar School and the University of Notre Dame Australia down some to the Aboriginal community schools such as the Djarindjin Lombadina Catholic School and the Ngalangangpum School. Obviously, some of those schools are in need of capital assistance because they have little access to other sources of funding.

Hon B.M. Scott: How does Hon Helen Hodgson know?

Hon HELEN HODGSON: I query the mechanisms for distributing funds to these schools when one sees schools with access to significant private school building funds also having access to this low interest scheme. I am not saying that that is necessarily inappropriate. However, I want to ensure that it is being managed in an appropriate manner.

Hon Barbara Scott interjected.

Hon HELEN HODGSON: I note that significant funds are made available to the non-government school sector for a number of purposes. Those specifically include items such as the per capita grants which are provided to ensure that these schools can operate efficiently.

In relation to these figures, in the Estimates Committee on 3 June, I asked a number of questions of the department about the funding to the non-government school sector. At that stage, the chief executive officer, Mr Browne, said that the low interest loans scheme interest amounted to $4.5 million. In the scheme of things that is not a particularly large figure. However, I also asked for details of the private schools that benefit under the current funding arrangements and for these to be detailed by category, the number of students enrolled at the school and the commonwealth funding provided for each school. I have received a response to that question. It is very interesting to look at the sort of schools receiving per capita funding and the amount that some schools are receiving. Aquinas is in category 11 and receives $940 per capita from the State for a preprimary or a primary student and $2 110 per student from the Commonwealth. By comparison, a school in the same area, such as St Columbus School in South Perth, is in exactly the same category. People who are familiar with the two schools in question might wonder why those schools are receiving the same amount of funding on a per capita grant.

Hon B.M. Scott: What is the difference between those two schools?

Hon Ljiljanna Ravlich: You should come on this side of the House. You are picking up bad habits.

Hon Ray Halligan: You are a good teacher.

Hon HELEN HODGSON: Perhaps they might also go to the trouble of asking how that compares with other state schools in the area which are being closed down. We have just heard today about massive changes to the state school system. On one hand, according to the Department of Education Services' report, and it was repeated in election promises and so on, we are being told of a move to increase recurrent funding to 25 per cent of the cost of educating children in government schools. The amount of funding received from state and federal levels is not insignificant. On the other hand, today state schools across all electorates have been told that they will close down or their land will be sold simply to fund the education system.

Hon B.M. Scott: At the parents' request.

Hon HELEN HODGSON: The issue here is not one of choice. People should be able to choose where their children will go to school. The issue is one of access and of ensuring that parents who choose to send their children to a school and pay fees to do so, receive a certain level of service. Are we forcing parents into a situation where the choice becomes one not so much of access to government or non-government schools, but access to schools with facilities or without facilities? I do not care whether it is a government school with facilities or a non-government school with facilities, compared with a government or non-government school without such facilities. We are developing large discrepancies across the education system in both the non-government and government sectors.

If this capital grant scheme is one method of making sure we are funding buildings and developments so that the minimum level of capital works is available to all students across the State, I totally support it; however, I am very worried about the future of funding for education in Western Australia. The more I see of federal policies and the more discrepancies I see in funding to different sectors, the more I think it does not improve choice. It is categorising our schools into different tiers, and that means parents will be limited in where they can choose to send their children. Once we take into account school fees, which are increasing, and the costs of all the extras that are expected to be provided through the school system, the fees in some government schools are almost as much as those paid by parents whose children go to non-government schools. If we compare that with a flat fee at some of the non-government schools, I do not think we will find very much difference. If the effect of so-called choice is to privatise our school system, that is a negative impact. I do not oppose choice; I oppose the fact that that choice may lead to a privatised system.

This education loan scheme is a good one. It ensures there is an increase in access to facilities for schools across the State. From looking at the types of schools that have benefited - although I question the eligibility criteria for some schools - it is clear that some schools which have received benefits have needed access to the funds to provide the basic level of services. We support the scheme, although we have serious reservations about the direction of education in this State.

HON E.J. CHARLTON (Agricultural - Minister for Transport) [8.34 pm]: I thank members opposite for their support of the Bill. I am not the Minister who usually handles this portfolio, but I will do so as a consequence of the close cooperation of all parties -

Hon N.D. Griffiths: Of all members opposite.

Hon E.J. CHARLTON: - and all members opposite in dealing with this Bill tonight in the absence of the Leader of the House who represents the Minister for Education. I will respond to a number of the issues which have been raised. At the outset it is important to acknowledge that the conditions of the loan scheme - the guidelines, accountability and all the components - do not come about as a consequence of this legislation. They are already in place. They have been consistent and came into being under the previous Government. That situation does not change; however, the opportunity to broaden the spectrum of raising these funds is changing.

The main issues that came forward were about accountability, guidelines and who would be the beneficiaries of these funds. As I say, none of those things has changed as a consequence of this Bill. That is the most important point to acknowledge. All the information about the guidelines and procedures that are required to be followed are publicly available. This Bill is about the source of the loan funds. It is not setting out to put loans in place artificially and provide funds that schools will borrow. Whether some schools are acknowledged to have a greater capacity to gain funds is not the issue. It is simply a mechanism for those schools that want to expand the educational opportunities for those who choose to send their children to those schools.

Aquinas College is in the process of a $10m expansion to modernise and replace existing facilities. Although that school and others mentioned by Hon Helen Hodgson are quite well-off, other schools, such as those that service the Aboriginal communities, are at the other end of the spectrum and must have the capacity to find sources for their funding. It is relevant in this day and age to compare the health system and the education system in Australia. On one hand parents are paying a fairly significant component by way of school fees to assist in the operation of schools, irrespective of whether their children go to a non-government school or a government school. In the health system,

which is funded from our taxes and the Medicare levy, people can go into public hospitals and get the best service in the land for no extra cost. We cannot do that in the education system. This is one issue that collectively we must take up. I digress. Of the funds available, 25 per cent have exceeded - I am having a little difficulty following the written advice that has been provided to me -

Hon N.D. Griffiths: I don't think it is your fault.

Hon E.J. CHARLTON: It is nobody's fault.

Hon N.D. Griffiths: You are too generous.

Hon E.J. CHARLTON: I have a pair of spectacles that are first-class, and will remain that way for a long time because I never wear them.

Hon Ljiljanna Ravlich: You can get good looking glasses these days.

Hon E.J. CHARLTON: It would take more than good looking glasses to make them look good on me. All the questions that Hon Ljiljanna Ravlich properly asked are addressed by the fact that there is no change to the current system. It is simply going outside the current range of potential lenders.

Hon Ljiljanna Ravlich: I would like some assurance about interest rates. Will they be subject to market fluctuations?

Hon E.J. CHARLTON: They will be variable. The whole thrust is simply to give people an opportunity to borrow those funds in the marketplace in the most competitive way possible. The Government is making it possible for people to take advantage of those situations. If this were not in place, it would increase the burden for those parents and schools. Obviously the non-government schools or universities would be penalised as a consequence of not having this opportunity.

The consolidated fund is an annual allocation of funds. Not all state debts are identified in the consolidated fund accounts or budget papers; they are stated separately. Any loans taken out by the private sector or non-government schools are held by them. As Hon Helen Hodgson pointed out, the Government is assisting that with this program.

I apologise that I cannot give the detail that I am sure the Leader of the House would have given.

Hon N.D. Griffiths: You are doing a good job.

Hon Ljiljanna Ravlich: We are not missing him at all.

Hon E.J. CHARLTON: The aim is to broaden the spectrum of borrowing capacity. Members can refer to the public details. If any member wants further information, I will ensure they get it in writing following the passage of this legislation. I thank members for their support.

Question put and passed.

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

SITTINGS OF THE HOUSE - EXTENDED AFTER 10.00 PM

Wednesday, 24 June

HON E.J. CHARLTON (Agricultural - Minister for Transport) [8.43 pm]: I move -

> That the House continue to sit beyond 10.00 pm.

We will deal with Order of the Day No 4 in Committee and, in consultation with the Opposition, Order of the Day No 3.

Question put and passed.

ESTIMATES OF REVIEW AND EXPENDITURE

Consideration of Tabled Papers

Resumed from 23 June.

HON GIZ WATSON (North Metropolitan) [8.44 pm]: I will address a topic of vital importance to all Western Australians; that is, uranium mining and the implications of the preparations currently under way in Western Australia for a very large expansion of uranium mining in this State.

Members should be aware that what we are contemplating in Western Australia and what is currently happening in

the Northern Territory are related to international events such as the recent nuclear tests in Pakistan and India. We will continue to see these outrageous activities as long as we and other people in the world are involved in uranium mining. There is no way one can separate the mining of uranium and its use in nuclear power plants from its use in nuclear weapons; they are inextricably linked.

I acknowledge the activities of a large number of Australians in opposing the expansion of uranium mining in the Kakadu area. I will attempt to explain why people are willing to risk arrest to challenge the expansion of the uranium industry in this way. If people are not opposed to uranium mining, I take the generous view that it is because as yet they have not heard the full implications.

Research undertaken by my office indicates that currently in Western Australia between 200 and 300 mining or exploration leases are being actively searched for uranium or have been identified as containing uranium deposits. Members are probably unaware of how many mines are being contemplated in Western Australia. Some of the projects include: Angelo River; Bulman Waterhole; Centipede-Millipede; Cogla Downs; Gascoyne; Hinkler Well; Killi Killi Hills; Kintyre; Kurrajong; Lake Austin; Lake Maitland; Lake Raeside; Lake Way; Lyndon; Manyingee; Mulga Rock; Mundong Well; Myroodah; Nowthanna; Oobagooma; Paterson Project; Shepherd Well; Thatcher Soak; Turee Creek; Wondinong; Yanrey and Yeelirrie and so on.

Hon Derrick Tomlinson: Are they exploration sites or potential production sites?

Hon GIZ WATSON: They are either exploration leases or identified deposits. A large number are currently identified as having deposits.

Hon Derrick Tomlinson: An exploration site and a potential commercial site are very different things.

Hon GIZ WATSON: I am trying to indicate that a large amount of commercial uranium activity is under way in this State. That is not surprising, given that Australia contains between 37 and 40 per cent of the world's known uranium deposits.

Hon Derrick Tomlinson: And it is a saleable commodity.

Hon GIZ WATSON: Yes. The other issue is the players in the potential uranium industry in Western Australia. Again the research conducted by my office established the companies that have interests in uranium.

They are the Acclaim group of companies, chaired by Bill Hassell, a former leader of the state Liberal Party; Afmeco Mining and Exploration Pty Ltd, which is owned by Cogema Australia Pty Ltd; Brightstar Power Corporation Pty Ltd; Eagle Bay Resources NL; Paladin Resources NL; Power Reactor and Nuclear Fuel Development Corporation, which is owned by the Japanese Government; Rio Tinto Limited, which was formerly Canning Resources Pty Ltd; Uranium Australia NL; and Western Mining Corporation. A number of people are involved in looking for uranium in Western Australia.

Another important matter is the position of both the major parties. Members are probably aware that the Liberal and National Parties have always advocated no restrictions on uranium mining. The relatively recent change in the Labor Party's position on uranium mining is of great concern. At the Australian Labor Party conference held in Hobart earlier this year, the ALP's position changed from a three mines policy at a federal level to a no new mines policy. That is interesting, because it raises the question of the point at which a mine is a mine.

Hon Derrick Tomlinson: When it is not yours.

Hon GIZ WATSON: That is right. The position is that upon return to office, a Labor Government will not allow any new uranium developments, and it will allow the mining and export of uranium only from those mines that are in existence upon its return, and only under the most stringent conditions. However, the problem is exactly when is a mine a mine. I note that the Western Australian Department of Minerals and Energy has granted mining tenements over at least 25 uranium prospects, some of which have expended several millions of dollars in development. It will be interesting to see whether these projects will be classified as existing mines if and when the Labor Party gains power at a federal level. That substantially changed political situation is of great concern, and I want to share some of my concerns tonight.

It is often argued that uranium is just another mineral, and there is no reason that we should not mine it like anything else. Nothing could be further from the truth. I encourage those members who hold that view to take the time to do some reading in this area and to discover that uranium is not like any other mineral.

Hon B.K. Donaldson: Do you know that Australia has 90 per cent of the known reserves of uranium and only 10 per cent is exported, and Canada has 10 per cent of the known reserves and 90 per cent is exported?

Hon Cheryl Davenport: It should all stay in the ground.

Hon GIZ WATSON: Australia has 40 per cent of the world's uranium, rather than 90 per cent.

Hon B.K. Donaldson: Known reserves.

Hon GIZ WATSON: The issue with uranium is, as Hon Cheryl Davenport said by way of interjection, that the only safe place for it is in the ground.

Hon Bob Thomas: What about its use for medical reasons?

Hon GIZ WATSON: The requirement for radioactive isotopes in the medical field has already been addressed with a process that involves what is called a cyclotron, which is able to produce radioactive isotopes without requiring nuclear fission. That technology is available and is cheaper than obtaining radioactive isotopes from a nuclear reactor as a by-product.

Hon Bob Thomas: Where does the uranium come from?

Hon GIZ WATSON: I am not sure about the process and the chemicals that are required, but I know that we can produce the necessary radioactive isotopes to be used -

Hon Bob Thomas: You are not opposed to the use of radioactive isotopes?

Hon GIZ WATSON: No; they play an important role in medicine. It is interesting that the treatment of cancer with radioactive material is used only in extreme circumstances and is very much a trade-off between the time that it takes for the cancer to progress and the risk of bombarding the cancer with radioactive material.

Hon Bob Thomas: From where do you get that uranium? Are you prepared to accept that it should be mined for that use?

Hon GIZ WATSON: I am prepared to accept that we need some radioactive material in order to supply medical needs, but a huge amount of radioactive material has already been mined and is in existence.

Hon Bob Thomas: I probably do not disagree with you.

Hon B.K. Donaldson: Did you get an opportunity to go to Kintyre?

Hon GIZ WATSON: I have not been there.

I will continue with my comments about the health risks at all stages of mining, processing and fissioning radioactive material. The key is to understand that when uranium is mined and fissioned, a range of chemicals is produced, all of which are radioactive and did not exist before that nuclear fission. Those chemicals have enormously long half-lives. We have no way of disposing of these radioactive materials. There is no doubt that we are putting into the atmosphere, the water and the air, chemicals that will create a cancer legacy for future generations in the next half a million years.

Hon Ray Halligan: I will not be around then.

Hon GIZ WATSON: That interjection is very enlightening. That is exactly the point. The people who are currently making the decision to profit from mining this mineral will not be around, but the genetic alterations that are produced by introducing this radioactive material into the atmosphere and into the water we drink and the food we eat will have repercussions for future generations.

One of the most well known by-products of this process is plutonium. Plutonium is highly radioactive. It has a half-life of 25 000 years. Each nuclear reactor in existence produces 50 pounds of plutonium each year. If it were possible to take one pound of plutonium and distribute it evenly between the entire population of the world, that would be enough to kill us all. We already have 100 000 tonnes of plutonium in nuclear processors, and we do not know what to do with it. Plutonium is an iron analog, so the human body reacts to plutonium in the same way as it reacts to iron. The plutonium concentrates in the blood because it is attracted to red blood cells, and it produces diseases such as leukaemia. An interesting aspect of the history of nuclear reactors is that we are only now beginning to see the long term medical records of those who have worked on them. Because cancers have a latency period between 10 and 30 years, clusters of increased levels of leukaemia in communities close to nuclear reactors have not been seen until relatively recently.

On the issue of medical records, workers at uranium mining sites are encouraged to work for companies for only short periods. The companies involved do not keep adequate medical records to track what happens to the workers after they leave their employment. Therefore, it is very difficult to obtain hard data on the impact on those workers and their families of their exposure to radiation.

It is also important that members understand there is no safe level of radiation. One of the insidious aspects is that radiation cannot be seen, smelt or tasted. For example, the mining of the ore body in Kakadu produces radon gas, which is invisible, tasteless and odourless. That radon gas is very soluble in water and in the wetlands in and around the Kakadu area. We know the material concentrates as it moves up the food chain in the wetlands and river systems of Kakadu. What might be presented as an acceptable background level of radiation increases as it moves up the food chain. This results in a bio-accumulation of radiation, and over the next few generations I am sure there will be an increase in the incidence of cancer, particularly among Aboriginal people who live in the Kakadu area and take fish from the river and other food from the area. That is a direct result of mining the uranium in Kakadu.

Uranium and the by-products from mining and processing it have a genetic legacy that will not be selected out. I compare that to the current HIV-AIDS epidemic, which has reached massive proportions globally. That will be nothing compared to the permanent modification in genetics as a result of uranium mining. Radiation is passed on; that is, if a person dies of a radiation related disease and the body is incinerated, the radiation is reintroduced into the atmosphere, water or soil to be recirculated in the environment. Once radioactive material has been created, it is permanently introduced into the genetics of not only humans but also other plant and animal species. Once genetic alterations are introduced, the potential for diseases is increased enormously. Society is unleashing something which it has no idea how to control and of which it does not know the long term consequences.

Moving away from the health issues, which must be the key to understanding why uranium must be left in the ground, the argument that it produces cheap power has been hugely discredited. One of the most obvious reasons is that in the best case scenario for a nuclear reactor, which does not blow up as the Chernobyl one did or melt down as the Three Mile Island reactor did, its maximum life is only 20 years. After that time the whole structure is so radioactive that workers cannot go into the area. No-one has solved the problem of what to do with a radioactive power plant. The cost of decommissioning these plants is estimated at billions of dollars. It is true the actual cost of extracting and processing the ore is relatively inexpensive because only a small volume is needed, but the total cost of the plant from beginning to end must be factored in.

In Europe there is enormous resistance in the community to any of these power plants being deconstructed and the waste being stored. There is enormous resistance in communities to material being transported through their towns. What happens to these power plants after their 20 year life? There are enormous problems, not the least of which are the spent fuel rods associated with these power plants. The fuel rods are put into power plants and because they are in close proximity there is a controlled fission process which produces an enormous amount of heat. However, many by-products are created in the reaction. Eventually the fuel rods clog up because they cannot react any more, and then they must be stored elsewhere. They are currently being stored in what are euphemistically called swimming pools. These are large bodies of water in which the spent fuel rods are racked. The problem is that the spent fuel rods are extraordinarily hot and radioactive. It is estimated that a person who stood beside one of them for more than two seconds would receive a fatal dose of gamma radiation. There are hundreds of thousands of these spent fuel rods in the United States and Russia, and in other countries using nuclear reactors, such as Japan. No-one has figured out what to do with them. The United States is beginning to restack them in even more dense conglomerations in the swimming pools. Everybody will be aware of what happened at Chernobyl when the reactor blew up. These highly radioactive and exceedingly hot spent fuel rods are not even contained in a structure, so the potential for an accident is enormous.

Another issue in relation to creating power using nuclear reactors is that it produces very few jobs. A functioning nuclear reactor requires only 10 people to run it. The provision of energy by this means certainly does not involve any job creation.

It involves a massive cost in the security effort to protect radioactive material from sabotage and theft for terrorist purposes. Indeed, only about five pounds of this material needs to be stolen to make a bomb the equivalent of that used at Hiroshima. A recent incident occurred in Dounreay in Scotland, where a reprocessing plant operates, as the British Special Air Service decided to test the security of the facility. I invite members to guess how long it took them to breach security.

Hon Bob Thomas: Ten seconds.

Hon GIZ WATSON: It took one minute actually - not bad - to breach security and acquire weapons grade plutonium from the Scottish site. This incident had enormous repercussions in Britain, where enormous pressure is being applied to close down such facilities.

Much is made of the market for uranium, but globally the whole industry is on the decline. I know figures are thrown about left, right and centre regarding markets for uranium and the like. Enormous problems are being confronted, and costs are coming home in decommissioning plants and the handling of waste material. In the last month, Germany banned any transport of radioactive material on the basis that radioactive contamination was discovered

on the outside of containment vessels. I noted in the newspaper the day before yesterday that Holland came to the same conclusion and has banned the transport of radioactive waste.

Canada and the United States have put on notice that they will close a number of their nuclear power plants in the next five years. One argument put - I notice it is also mentioned in the revamped ALP policy on uranium - is that we will trade uranium only to the right countries. I am sure members will recall the Senate inquiry in 1988 which exposed the flag swapping issue. In no way can anyone give an assurance that if this material is sold, on the face of it anyway, to a country which is signatory to non-proliferation treaties, the material will not end up in the hands of another country. It has been proven to happen. Therefore, any suggestion that we can safeguard the end destination of radioactive material is utter nonsense.

As I said at the beginning of my speech, one cannot separate the generation of nuclear material and the production of weapons. They are inextricably linked. If we continue to generate power from nuclear fission, we will continue to generate weapon grade material. We already have more than enough of that material to blow up the world more than 10 times, so it is immoral to continue to produce it.

Also, waste material is used in weapons such as those utilised in the Gulf War. Depleted uranium, which is a very dense metal, was used for armour piercing shells in that war. Indeed, hundreds of thousands of spent shells litter the desert in Iraq. One of the consequences of using this material has been the Gulf War syndrome; that is, a huge number of American returned servicemen are suffering from a range of unexplained illness. It is highly likely that they are related to radiation. When the shells pierce the armour of a tank, they produce a gas which is more than likely the cause of the Gulf War syndrome.

Another prospect, if we in Western Australia dive headfirst into an expansion of uranium mining, is that most likely we will be under pressure to receive waste materials back into the State. The trend internationally is that whatever country is producing the material originally will also be the recipient of any waste material. The consequences will be dire. We do not want the waste material back here, but placing the uranium on the world market and requiring somebody else to deal with the waste is exceedingly immoral also because of the long term health consequences.

What are the solutions? We do not need uranium or nuclear power. We already have a huge range of other technologies available to us, particularly solar. It distresses me that in the 1970s Australia was one of the world's leaders in research and development of alternative energy production. It has been a deliberate and political choice to reduce funding to those researchers and universities which were moving ahead in leaps and bounds in producing energy efficient technology, solar cells and so on. If that cutback had not happened, Australia today could be a world leader in exporting appropriate renewable energy technology. I have mentioned solar technology, but we also have huge potential in harnessing wind and methane -

Hon Barry House interjected.

Hon GIZ WATSON: Perhaps the two are related!

In conclusion, I urge members to think seriously about this topic. I take the generous view that if people do not oppose uranium mining, it is because they have not yet grasped the implications of the handling, the fission and the legacy of waste created by the use of radioactive materials. I ask members to consider not an immediate attraction to profit, which undoubtedly can be made, in selling uranium, but to take time to consider the well-researched material, particularly the writings of Dr Helen Caldercott, a physician who specialises in cancers and has written numerous books explaining the consequences of uranium mining and the nuclear industry. I implore members to do so, as this is one of the major issues we will face in Western Australia over the next few years.

I encourage members to become familiar with the health consequences because they are the key to this argument. They must consider carefully whether this generation could feel comfortable leaving a legacy for future generations in the order of at least 500 000 years of genetic malformations and huge health problems. I implore members to take this seriously and to oppose any expansion of uranium mining in Western Australia.

Debate adjourned, on motion by Hon Bob Thomas.

RAIL SAFETY BILL

Committee

The Chairman of Committees (Hon J.A. Cowdell) in the Chair; Hon E.J. Charlton (Minister for Transport) in charge of the Bill.

Clause 1: Short title -

Hon TOM HELM: Members should be aware of the importance of this short title and its implications. This Bill has

70 clauses, one or two of which cause some problems for the Opposition. Nonetheless, the thrust of this Bill indisputably concerns the safety of the rail system throughout our nation. I understand Western Australia is the last State to adopt this uniform legislation. This Minister and his staff are to be congratulated for the work they have done to promote the cause of rail safety throughout Australia. I am sure that in the fullness of time it will become apparent to the members of this place that we are all of the same mind.

It will be obvious to anyone reading the second reading speech that there has been no departure from it. As the Minister said, the Bill contains nothing of a non-safety nature. As a result, the adequacies of the short title will be apparent to one and all.

It is a pleasure to be part of a thrust that has seen a strong sense of cooperation reflected in an interparty and inter-Chamber spirit that reflect the cooperation of the State and the Federal Governments. We are realising a goal flagged by our super hero Paul Keating a few years ago that Australia would have a transport corridor from Fremantle to the eastern States, void of obstacles such as different gauges which caused cargo to be changed from one train to another and where signals were erratic and drivers were not allowed to drive from one State to the next. Not even the professionals knew what jurisdiction they were under and what were the implications of the restrictions. The gauges changed not only from State to State but also within the federal jurisdiction with Australian National Railways.

It is good to see that we are catching up with the twentieth century by developing a rail system that will compete with the best in Europe; one that will operate not only efficiently and effectively but also safely. Safety is the overriding issue and one of the main agendas throughout Australia. We might be getting the message that economic rationalism has had its day and that we can modify our competition policy for the sake of the safety of passengers and goods being carried across our great nation. I support the short title.

Hon J.A. SCOTT: I also support this Bill. As I indicated to the Minister, I have a query about exemptions of certain railway lines, particularly single use mining lines. The lines covered by this Bill will be granted accreditation on the basis of meeting requirements of the Australian rail safety standards. Although I am aware many variations apply to lines such as the Hotham Valley line, I am still concerned about some of them, particularly the iron ore lines. If proper standards of maintenance are not performed on both the trains and the trucks pulled behind the trains, accidents could occur resulting in damage, injury and loss of life. Can we be assured that the safety standards provided for in this legislation will place those lines in the same risk category as the general lines? I am sure that we do not want to see a range of rules applying to different lines as a result of people seeking exemptions. I am sure the Minister does not intend for that to occur. The short title has my full support.

Hon NORM KELLY: We have seen in recent hours the difficulties of considering committee reports and organising amendments to a Bill in a short time. The Australian Democrats' amendment to clause 63 is on the Notice Paper. During the second reading debate last night I described the concerns the Australian Democrats had with three clauses.

I did not refer to clause 63 as one of those concerns. As I will explain later in more detail, our proposed amendment relates to clause 31, which deals with drug testing. Some concerns have been addressed, but they are more adequately covered by the amendments I will be proposing.

Hon E.J. CHARLTON: The comments made on the short title really go to the thrust of the Bill. They are the real ingredients of some of the amendments we have before us. I appeal to members to look at the thrust right across the whole of Australia to implement this consistent approach to rail safety. We want to expand rail operations in the nation and have the maximum use of every rail line by anyone with the capacity to move product by rail and not be restricted by who owns the line. We want to enable people to take advantage of this valuable high cost infrastructure. In doing that we must ensure that the operators operate under stringent rail safety conditions. We will have a debate a little later on access, which is complementary to rail safety operations. The legislation is about giving access to operators, the conditions under which they are to pay and their ability to use someone else's infrastructure. It is not to deny them the opportunity but to encourage them to use that infrastructure. We are dealing with safety operations in carrying out these tasks.

It seems that we are all agreed on the setting up of the Office of Rail Safety. If every railway in the nation came under this legislation, we would not be debating the various issues about exemptions in the case of some minor rail operators. Members have acknowledged that and are comfortable with it. In the north of Western Australia we have three major operations. It is intended in the short term that they not come under this legislation and under the Office of Rail Safety. The reason is that they already have a rail safety mechanism which is incorporated into the Mining Act and their licences for mining operations. As a consequence they are required to meet special safety requirements when carrying out that rail task as part of their total mining operations. If we segregated their rail transport component from their total mining operation, they would come under this umbrella, but because at this stage it is not segregated, they do not want to have to answer to two safety regimes because they could be in conflict with particular components.

Hon J.A. Scott: Is there any reason the requirements cannot be taken out of their licence?

Hon E.J. CHARLTON: There is no reason. We will be working towards that. They wanted to see what we were putting in place. As Hon Tom Helm will tell members, they have very safe operations moving enormous amounts over a long time. If they had other players using their operations, they would obviously have to come under this legislation and the Office of Road Safety. However, their mining operations include a transport component. That is why there is a mechanism for giving them exemption. Conditions will be applied to the exemption. Those conditions will be such that really the only variation from what everyone else will have to comply with under the Office of Rail Safety operation arrangements will be that they will not be accredited. Anyone across the nation who operates under this rail safety operation will be able to operate in Western Australia. The rules will not be the same but they will be consistent to meet safety specifications. Mining operations in the north at this time will not come under this legislation and, therefore, they will not be accredited. Because they will not be accredited, we will impose conditions on them. That is the main thrust of my response to Hon Jim Scott's concern. He wanted an assurance that they would have conditions imposed on them. The Office of Rail Safety will be a responsible, high profile organisation.

Hon J.A. Scott: Who will oversee those conditions?

Hon E.J. CHARLTON: The Office of Rail Safety. It will ensure through the Director General of Transport that conditions apply. That is why the issue of the regulations arises. It takes time to put something in a regulation. It also takes time to change a regulation. This is picking up the amendments we will debate shortly. Having conditions in regulations will reduce the safety component. If something needs to be done very quickly, people can go straight in and act within hours to impose conditions or to change existing conditions because of a set of circumstances. Those conditions can be applied by the Office of Rail Safety. Members know the process that must be gone through to change regulations. They know the process that must be gone through to put them in place. That is why the people who will be ultimately responsible for administering the Office of Rail Safety and for specifying those conditions for anybody with an exemption will want to ensure that they are overseeing a very safe operation. I appeal to members not to lose sight of what the legislation seeks to do. In trying to be very specific about what the legislation is trying to do, members could impede the efficient operation of the Office of Rail Safety.

Clause put and passed.

Clauses 2 and 3 put and passed.

Clause 4: Application of Act -

Hon TOM HELM: I move -

> Page 6, line 17 - To delete the line and substitute "Regulations may,".

The reason I propose that line 17 be deleted is to make clear within this clause that regulations are the most appropriate way for dealing with most matters that are contained in this Bill.

I note the Minister's argument about the thrust of national rail safety and giving people the ability to do things in the name of safety, we should not necessarily fetter their ability to do what is right and proper. I have been searching desperately for circumstances that would allow me to agree to this being done by notice. I have been convinced that on occasions it may be appropriate to use a notice. Perhaps I will go out on a limb and say that people may be accredited to use a rail line by notice, which would demonstrate our trust in those personnel. On one hand, if this does not stand up to scrutiny, it is because we are trying to expedite matters to ensure the passage of this Bill. If action must be taken quickly to allow the movement of a locomotive static display - it may need to travel on a rail line to a field day, an exhibition or some other event - I trust the people charged with responsibility for safety declare that by notice, without any interference by anyone else. We should have the ability to accredit those people. However, I am concerned that those people would choose not to exercise their power by notice. It is difficult to be convinced that, having the power and majesty of every Government in this nation including the Federal Government, we would want to give away those powers by way of a notice.

To maintain credibility, we must be able to say that we can give those powers away but our reasons for doing so must be scrutinised. That power should not be given away without the scrutiny of Parliament. However, I have been convinced by my colleagues that, on occasions, there may be a short time during which it would be appropriate to give such powers away, by notice. I cannot support the argument completely. Nonetheless I have been told that I should learn to compromise, and perhaps this is such a day. There may be occasions when, say, for fewer than 14 days it would be useful to give those powers away by notice.

During debate on the short title the Minister spoke about iron ore companies having a relevant safety regime, which will be overseen by the Department of Minerals and Energy. That gets up my nose, because I have fought long and

hard to take away that responsibility from the department because I do not believe it is appropriate for the department to look after the interests of the mining companies per se and to include safety in that regime. The department uses accredited Westrail inspectors to make sure that the lines, rolling stock, and necessary material to run the railway line are insured or whatever else is necessary. That is one argument. When I listened to the arguments to the contrary, I had the feeling that there was another agenda here; that something else was going on, which I do not understand. Sometimes things go on that I cannot understand -

Hon E.J. Charlton: That is what we think. There must be something going on here that we cannot understand!

Hon TOM HELM: It is proposed that the major rail line in this State will be exempt from the provisions of this Bill - perhaps only for the short term - because it is a single operator line. Members may be interested to know that during briefings this afternoon it was suggested that Robe River Mining may wish to use the Hamersley Iron line for a major development in the Pilbara. That is two operators. The Minister would know better than I about the premise of a single operator-owner- user rail line. It is a contradiction in terms of the agreement Act which established the lines and required that the lines be open to anyone who wants to use them, and no iron ore company could preclude anyone from using the line.

Hon Tom Stephens: That is probably why the miscellaneous licences were set at five year renewals, in case they would prevent other operators.

The CHAIRMAN: Order!

Hon TOM HELM: A hot issue in the Pilbara is the one driver operated train. I do not know if Robe River can operate in that way permanently or if it is just for an occasional run -

Hon E.J. Charlton: It will be everywhere in the world.

Hon TOM HELM: I have no problem with that if our accredited rail safety operators say it is the way to go. I am not a train driver; I do not belong to that union; it is none of my business. If they say it is safe, I will believe it. However, I cannot get past that connection. I do not know whether Westrail trains have only one driver, or if there is a rule which says there should be two drivers over a certain distance, carrying a certain weight, or travelling at a certain speed. Something appears to be amiss here. We should have the courage to say that if there is a need for an exemption, we should have that opportunity - even if it is a static display being moved, but even that cannot be done overnight.

This afternoon I was explaining to the two ministerial advisers that on Christmas eve in 1985 there was a major derailment between the railway workshops in Dampier at Seven Mile and the locomotive wash sheds. We had knocked off at lunch time and were in the pub having a few beverages, when the leading hand arrived, loaded up the utility and took us to Seven Mile. He said that there had been a major derailment, but we joked about it, because we did not believe him. Three locomotives had collided between the workshop and the wash shed, and five loads were out of action. For the five years I had been working in the area, an American rail-mounted crane had been out of service. Hamersley Iron used every facility to service the crane overnight, and we had it back on the line, and had it licensed and accredited over the telephone. No sweat! I used the crane, even though it had a few problems, because we understood what we were working with. We did the job. Therefore, I am sure that accredited inspectors will have the ability to deal with matters immediately - never mind the Parliament, the law or anything else. By the same token, we must find a way to publish regulations that will allow for emergencies or unusual circumstances to be accommodated - by regulation!

We must be very careful when we give this power that members recall some of the debates in this place, led in the most part by Hon Mark Nevill, about the powers of fisheries inspectors. These people will have more power than the police, and even more power than the fisheries inspectors. That is perhaps how it should be. If we let go of the ability to understand and to regulate what they do and what they do not do, we will really let loose the tiger. I say we have the compromise; we have the 14 days to take care of any emergency that might occur. I do not think we should go any further than that. That is one of the reasons that we must pass this amendment standing in my name.

Hon NORM KELLY: In considering this amendment, members need to consider the other amendments that appear on the Notice Paper to understand the full meaning of what Hon Tom Helm is trying to achieve. I intend to move amendments to his amendments. As I said in my contribution to the second reading debate last night, if we look at specified railways or classes of railway systems, we currently have a proviso in clause 4(2)(d) that any exemptions for such railways or railway systems are to be prescribed. Therefore, a subclause already exists which specifies a need to regulate any exemptions of railways or railway systems. Subclause (3) seeks to do that once again, but in this instance by way of notice. The situation is that, on my reading of it, we could have a railway of a specified class exempted either through subclause (2) by way of regulation, or by subclause (3) by way of notice. Subclause (3) goes further than subclause (2) in specifying persons of a specified class as being exempt from the provisions of this Act

as well. That is one aspect in which subclause (3) goes further. In discussions with officers of the department they have made it clear to me the reasons for being able to give notice of temporary exemptions to allow for such things as Hon Tom Helm mentioned, such as the movement of a railway for a show or whatever.

Hon Tom Stephens: There could be emergency situations as well that could necessitate the short exemption.

Hon NORM KELLY: That is right. I am not sure whether that notice would be published prior to the emergency or after it has passed. Such exemptions are already done by notice in the present form of the Bill. We are not seeking to change that aspect of the Bill. I believe that a provision to allow for that maximum exemption by way of notice does not interfere with what the Government wishes to achieve with this clause.

Hon Derrick Tomlinson interjected.

Hon NORM KELLY: No, the exemption is for a maximum of 14 days by notice. We are saying if the exemption is for more than 14 days, we need to regulate that. On my reading of this Bill and the proposed amendments, I do not see that what is proposed will interfere with the Government's wish to allow these temporary exemptions. At the same time, for more significant exemptions, as has been stated by the Minister, these lines that come under the Mines Act or similar Acts can also be prescribed as exemptions under subclause (2). A provision already exists for doing this by regulation. What we seek to achieve is to provide that flexibility for an emergency or a one-off instance when an exemption is required for a short time. In the case of a rail engine and carriages going to a show or similar event and coming back a month later, no reason exists why a notice cannot be made for both the forward and return journeys. I would like to hear the Minister's arguments as to why such a change to the Bill would interfere with the powers of the Minister to allow for these exemptions. It is important that if we are to exempt a line on a longer term or permanently, Parliament must have the ability to scrutinize that exemption. We may in the future want to establish a high speed line from Perth to Northam and the existing rail system may be considered inadequate, so a monorail system may be proposed.

Hon Tom Stephens: That would be the case if there were no money in the Budget to provide for the fast line.

Hon NORM KELLY: If we took it out of the roads, maybe we could afford to put in these more efficient and environmentally better forms of transport.

Hon E.J. Charlton: You would not get the clearance to stop it from happening.

The CHAIRMAN: Order, members! Members will address the clause that is before the Chair.

Hon NORM KELLY: In reference to that interjection, we would go to the Environmental Protection Authority and the Department of Environmental Protection to ensure it was done efficiently and in the best possible way so we could fully support such changes. We could in the near future be looking at a monorail system which might be deemed by the Government to be different from the traditional rail line and, as such, did not need to fall under this legislation. The Minister would have the power by way of notice to exempt such a line. It would be important that as a Parliament we be able to look at that proposal and the regulation which specifies that exemption. At the moment that is not possible. I cannot see that what is being proposed here interferes with the workability of this legislation.

Hon J.A. SCOTT: I ask the Minister to give us some practical examples of when it would be necessary to use the notice method to achieve the outcomes of this Bill and when this 14-day idea put forward by Hon Tom Helm would not cover the Minister's concerns. I am trying to think of some examples, but at this point I cannot think of any. I realise we are working out a balance between practicality and scrutiny of the Executive by this Parliament. On the practicality side, what is the balance in this argument?

Hon E.J. CHARLTON: There are times when members can look at a range of issues from a theoretical point of view and on its face value think, "What is the issue? Why can everybody not accept this amendment, change or procedure to do it this way?" We receive advice from the people who will be charged with the responsibility of providing safe rail operations within this State, and in this case we are talking about a railway or railways that may be exempted under this proposed amendment

The people who are responsible for implementing that rail safety are compromised by the proposed amendment. They are compromised by the proposed amendment for an exemption of 14 days for short term operations that will be put in place to all intents and purposes for some minor rail operation or for some particular activity on a major railway. This involves significant levels of activity and when it comes to multi-use of a line, use by more than one operator, it will not be covered by an exemption. The operators will be required to operate under this legislation and the Office of Rail Safety. That is how important it is. This initiative has been established across Australia to ensure that the Office of Rail Safety will have absolute control of the safety of these operations.

As Minister for Transport I will not support the amendment on the advice that I have been given - not today, not

tonight, but over recent months - which is that to do it any way other than having that total flexibility and control in the Office of Rail Safety, to do it by issuing a notice and directing that that is the condition -

Hon J.A. Scott: When would you use it?

Hon E.J. CHARLTON: To respond, firstly, by establishing the conditions and then having total flexibility to respond to any issue that may arise.

Hon Mark Nevill: What issue?

Hon E.J. CHARLTON: Any issue that the Office of Rail Safety believes that it needs to deal with concerning the safe operation of a train. Currently, the conditions of safety that apply to Westrail are different from those that apply to Commonwealth Rail, South Australia Rail, National Rail Corporation, Queensland Rail, Victoria Rail and New South Wales Rail. They all have different safety provisions that apply. When Specialised Container Transport, which operates trains across Australia, Toll Rail or TNT Rail operates in Western Australia, it must comply with Western Australian conditions. When a train travels into any State, it must comply with that State's conditions. That is one of the great impositions that have been placed on rail operations across Australia. I have initiated this one stop shop to enable rail operators to obtain approval to operate trains in the most efficient manner. Railways must presently operate under 17 different conditions to take a train across Australia.

Hon J.A. Scott: I agree with what you are saying.

Hon E.J. CHARLTON: It might be a very long answer, but the member is suggesting that we accept Hon Tom Helm's amendment and do it by regulation.

Hon Mark Nevill: Why would you want to exempt the railway under this legislation?

Hon E.J. CHARLTON: That is another issue and I will return to it. Responding to Hon Jim Scott's question of the reasons for not agreeing to go down this path, it is simply that it takes away the flexibility and the immediate response capability of the Office of Rail Safety by giving exemptions. The amendment seeks to put it into a form of regulation; notice is given and the notice then goes into regulation. Notice of 14 days can be provided for that two weeks' activity, but after that it goes into regulation. That would restrict the power of the Office of Rail Safety, because the absolute capability for it to respond to a situation on an hourly basis would be removed.

Hon Mark Nevill: Why can they not just shut it down?

Hon E.J. CHARLTON: My advice is that it is an administrative nightmare, and that is what members opposite are seeking to put in place. We do not want to put it in place.

Hon Mark Nevill: Why would you want to exempt it?

Hon E.J. CHARLTON: If it is the intention of this place to shut down a railway by disallowing a regulation -

Hon Mark Nevill: No.

Hon E.J. CHARLTON: That is what will occur if we do it this way. We would give Parliament the power to take away the regulation and an impediment would be put in its place.

To answer Hon Mark Nevill's question, and from his interjection yesterday during the second reading stage - I took it, and tell me if I am wrong - that the operations will not want to come under the Office of Rail Safety, the different operations will want to be out there doing their own operations. The member made that comment to me some years ago when we started down this path.

Hon Mark Nevill: It would be faster if Hamersley railway were under one and the road running parallel to it were under the Office of Road Safety. They are either both in the one or you keep the two separate until the time you decide to pull them together. To have them mixed up is rather odd.

Hon E.J. CHARLTON: I am as keen as the member to overcome this problem. Members will have my total support if we direct our attention and energy to getting them under this umbrella. Currently, as a mining operation, including the rail operation, it is under the Department of Minerals and Energy. Unless we take the mining operations out, they will be responsible to two masters and that is why we have not included them. We want them under the Office of Rail Safety. If they had their time over again, as I said during the second reading stage, they would probably have a different point of view. However, when we sat around the table in this building and discussed the evolution of this issue, they said, "Do not complicate our situation of trying to run an operation under that set of safety rules by giving us another set of safety rules." If a person must operate under rules for road use under the Office of Road Safety, that person would not want someone else's set of rules that he has not operated under before. We have done that with road transport; we have continuity across Australia. We have continuity across Australia on rail safety. The only ones

outside the loop are the railways in the north, and we intend to have the Office of Rail Safety provide advice to the Minister for Transport, who will have power to put conditions on the exemption.

The conditions will ensure that they meet the specifications of the Office of Rail Safety.

Hon Mark Nevill: How does that relate to clause 4(3) under which the Minister can exempt a railway?

Hon E.J. CHARLTON: The Office of Rail Safety will set the conditions for that exemption. The only difference for the exempt operator will be accreditation. They will not be an accredited railway operator.

Hon Mark Nevill: This relates to the private railway systems in the north?

Hon E.J. CHARLTON: Yes.

Hon Norm Kelly: We have expressed our support that those railways in the north west should be exempt. Is the Minister considering future exemptions?

Hon E.J. CHARLTON: There will not be any future exemptions.

Hon Norm Kelly: So there is no need to worry about it?

Hon E.J. CHARLTON: That is right. We will not exempt people in the future. The issue is that the mining companies must abide by the safety conditions in the mining legislation, including transport. The exemption will provide equivalent conditions, but the mining companies will not be accredited to operate a railway anywhere else in Australia.

Hon TOM HELM: It is an odd argument that we need the ability to make changes by notice for expediency when we knew a few weeks ago that the iron ore companies wanted an exemption. We are at a disadvantage, because we have not had a chance to talk to those companies and listen to their case. They could have a good reason. We cannot accept the argument that their railway lines will be exempt and they will be regulated by the Department of Minerals and Energy, because the Minister is on record as saying that if Robe River Iron Associates and Hamersley Iron agree to use the same line they become two operators. We have been assured by the Minister that when that becomes a multi-use line it will come under the auspices of the Bill. The Minister cannot use the argument that they should be exempt by notice because speed is of the essence, when we know that is what will happen.

Hon E.J. Charlton: That might change.

Hon TOM HELM: That is fine, because Robe River Iron Associates and Hamersley Iron Pty Ltd trains will not collide because they are on different lines.

Hon E.J. Charlton: You just mentioned a derailment accident.

Hon TOM HELM: That was at the mine site.

Hon Mark Nevill: The rail is the mine site.

Hon TOM HELM: The iron ore companies comply with Westrail's rules.

Hon E.J. Charlton: Westrail conducts the inspections.

Hon TOM HELM: That is because they are the best, I suppose, and when the Office of Rail Safety is established it will be the best. The Minister and his adviser would not try to sell us something second-rate. Given the argument that says iron ore companies should be exempt, let that be set out in regulations so that we can consider that and make a decision.

The mining lease extends to where the road hits the North West Coastal Highway. What happens when the road between Tom Price and Paraburdoo becomes a public highway? The further we delve into this the more complicated it gets.

This Chamber will encourage Robe River to use Hamersley Iron's line for the huge area C development. That might change the outlook of the Minister and the council when it meets. I do not know how they feel about this.

When Kingstream is on stream and it stops using ore from Tallering Peak and uses Pilbara ore, unless it constructs a conveyor belt the ore will come down by rail. That might prompt a future Minister or even the present Minister to open the line from Perth to Geraldton. That line will open up the Pilbara. The advice from the Minister is that the iron ore companies would operate that line.

Hon E.J. Charlton: No.

Hon TOM HELM: The Minister is right; it would be stupid. Let us talk about the speed of the notice, when we knew two weeks ago that the iron ore companies want to be exempt.

Hon E.J. CHARLTON: We may have to agree to disagree. The mining companies want to be exempt because they come under the Mining Act which is administered by the Department of Minerals and Energy. They do not want to be answerable to two masters.

Hon Tom Helm: However, they are using Westrail inspectors.

Hon E.J. CHARLTON: Yes.

Hon Tom Helm: So it is Westrail expertise applied to the iron ore company's rail?

Hon E.J. CHARLTON: Yes, because the Department of Minerals and Energy believes that those independent people will come forward because DOME does not have the railway experts, therefore it brings in Westrail people.

Hon Tom Helm: These are the same inspectors who are more than likely to be inspectors for the Office of Rail Safety.

Hon E.J. CHARLTON: No, they will not be.

Hon Tom Helm: More than likely?

Hon E.J. CHARLTON: No, they will not be.

Hon Tom Helm: Not at all?

Hon E.J. CHARLTON: No, they will not be, because we are applying independent inspection conditions.

Hon Tom Helm: It will not be Westrail people but independent people who are ex-Westrail.

Hon E.J. CHARLTON: It will be people employed by the Office of Rail Safety. They will be employed by that office because they will have one task in life; that is, to ensure the safe operations of the railway line, no matter who is running on it. We cannot have a Westrail inspector on a Westrail line inspecting TNT's train.

Hon Tom Helm: What about ex-Westrail people?

Hon E.J. CHARLTON: They will be answerable to the Office of Rail Safety.

Hon N.D. Griffiths: You support operation through regulation?

Hon E.J. CHARLTON: Yes, absolutely. Consequently, the current operation of those existing lines is carried out under safety conditions administered and controlled by the Department of Minerals and Energy. It does not matter whether it is right or not or whether it should continue or not, that is the way it is. As a consequence of that, DOME has suggested to us, and we have agreed, that a mine which operates a major train line - as Hon Tom Helm rightly said, bigger than anything operating elsewhere but still under DOME's regulations of operation - will be given an exemption which is incorporated in this Bill; however, we will put on the conditions under which it must operate in order to satisfy the exemption being given.

Hon Tom Helm: What power will they have to enforce that rule?

Hon Ken Travers: He will check on them.

The PRESIDENT: Order, members! One at a time. The Minister.

Hon E.J. CHARLTON: Let me correct one thing I said about the inspectors. The Office of Rail Safety will ensure the accreditation of the railway operator to meet the rail safety conditions. So, we get away from the expectation of being accredited under that number I mentioned earlier. The Office of Rail Safety will say that the train cannot operate unless these safety conditions are met. The inspectors will ensure that those conditions are continually met.

Coming back to the question of why not put them in regulation, the reason I will not accept having the safety conditions in a regulation is that if this House votes to put them in a regulation, I will advise the other place not to accept that amendment.

Hon N.D. Griffiths: Does that mean they come back next week and do more work?

Hon E.J. CHARLTON: Yes. I am not saying that as a nasty threat. However, as the Minister for Transport, I have been through this process with other people in other parts of Australia. The advice to me from the Office of Rail Safety is that it does not want to be restrained by having to put things in regulation. In not doing it, it gives notice.

Therefore, any decision made is done by notice; it is in the public arena and everyone knows what the decision is. However, we have to give somebody complete flexibility to act. If it is put in a regulation, that regulation can be disallowed and we will take control of a group of professional people that we have put in place to give accreditation. If we do not think they are doing their job, let the Parliament sort them out.

Hon N.D. Griffiths: We do that by disallowance.

Hon E.J. CHARLTON: It can be done by other means. My advice to members opposite is to look at the broader picture and attempt to do what they seek to do another way by taking on the Minister, by taking on the Office of Rail Safety, by seeking amendments, by calling for a report or by calling for a review of the situation. However, if we put it into regulation we will curtail the operations of the Office of Rail Safety.

The whole thrust of this initiative is to see the railways of the north under this umbrella of the Office of Rail Safety. I look forward to that happening. If we had this vehicle up and running and put the vehicle in front of them, we would probably have been in that position before and I think we should work to get it out of the control or responsibility of DOME and bring them in under the Office of Rail Safety. I would like to go down that path to do it; however, I am opposed to having it done by regulation and having those regulations subject to disallowance.

Hon TOM HELM: I promise not to keep members for too much longer. The Minister has highlighted one of the matters that he dealt with when he was sitting on this side of the Chamber and we first started dealing with uniform legislation. There is a problem with uniform legislation that I do not know has been addressed. I have not been following this as closely as perhaps I should. However, when we deal with uniform legislation, either it comes from the Federal Government initiated by a council of Ministers, or it comes as template legislation promoted by the Federal Government - or by the Queensland Government. Although we agree with the concept of uniform legislation, I am not throwing this back because I want to be nasty, because it is an issue we never addressed when we were in government and it has not been addressed since as far as I know. We may find out during the course of debate.

The only way that we can move to amend or scrutinise regulations is in the initiating State or in the Federal Parliament. If we pass this and have it done by notice, there will be no way we can scrutinise or be aware of whatever happens except by notice in the *Government Gazette* to say that something will happen. There will be no debate or explanation as to why it will happen.

Having been involved to some extent with uniform legislation as part of the Delegated Legislation Committee, I am aware there was a thrust towards having regulations moved in the initiating jurisdiction, be it federal or Queensland - Queensland because it is unicameral. One has to get one's colleagues in that State, or in the federal arena, to introduce regulations to address some of the problems that we might have met in our State. At that time the matter related to the Health Act, when we debated the Pike amendment. That related to an issue that struck a chord with me in that it is fine to have uniform legislation in some other place and it is fine for our Ministers to agree; however, the system falls down when the Ministers, either through pressure of work or through expediency, do not cross the t's and dot the i's.

Hon N.D. Griffiths: Pressure of work is a big thing in respect of a particular Minister, but not this one.

Hon TOM HELM: It has highlighted the ability to scrutinise the activities of Ministers and their staff. If we give powers to the Executive in this jurisdiction, the necessary checks and balances can be put in place. When template legislation, which reflects legislation from other jurisdictions, is passed in this place, it seems that we must go back to the originator of the legislation to put in place regulations or to amend the legislation. It seems that uniform legislation must be amended by all States at the same time. In other jurisdictions there are different ways of allowing exemptions, but I do not know whether that happens by regulation. Other jurisdictions work differently. The Victorian Parliament, for example, has a rule about scrutinising and reviewing every Act five years after it has been enacted, but I do not know whether that rule will apply to this piece of uniform legislation.

All I am saying is that we cannot do what must be done, particularly in the case of the railways in the north west, when we do not have the appropriate lead time in which to debate these matters. If the committee had had adequate time to call on representatives from the iron ore companies, we may have been better placed to present all arguments. At this time we are not well placed in that regard. We must just be very careful.

Hon J.A. SCOTT: The longer this debate goes on, the more I wonder why the Government did not bring the operation of all these rail lines under the auspices of this legislation, although they must be exempted before we no longer have control over them; for example, the railway lines that go to the iron ore mines. We have set up a situation in which trains from two different mine sites are using a single use line, and when it becomes a common line the rules change. One section of the line is controlled under the Mining Act, and as soon as it becomes a common use line it is controlled under this legislation. There are two different rules.

Hon E.J. Charlton: No, there are not. That whole operation is under one piece of legislation.

Hon J.A. SCOTT: If there is more than one user -

Hon E.J. Charlton: No. I have said that will not be. It is only while the lines are operating individually that they come under one current set of regulations.

Hon J.A. SCOTT: Let us take the lines that come from the mine sites and cover large distances. Until those lines are used by more than one operator, they can be exempted.

Hon E.J. Charlton: They are not sharing the line.

Hon J.A. SCOTT: The Minister has said that as soon as any part of the line is shared, there is no longer an exemption. That provides me with some comfort. The Minister said that he did not want to see the situation that if these matters were brought forward in regulation, this Chamber would have some control over the power of the body set up to manage safety. I remind the Minister that is exactly the role of this Chamber and the Joint Standing Committee on Delegated Legislation. That is precisely why we are here; to do that sort of thing. I do not understand why the Minister is worried. I have no bent to upset rail safety. I, too, want to see the best possible system in place.

This legislation enables people to look at the changes that have been made. If a regulation is disallowed, a number of things happen. Some regulation is probably already in place which will remain in force. If the amendment is passed and the regulation is disallowed on the basis of this legislation, the regulation will remain under the auspices of the body that will control the safety operations and operate under the Australian rail safety standard. No great disaster will occur as a result of that. If the amendments proposed by Hon Tom Helm are passed, if there is any immediate need for a quick change, that can be brought about, and that is all very well; however, the problem is that quite often a quick change is a bad change.

Hon E.J. Charlton: Especially by some of us who decide for some political reason to change something.

Hon J.A. SCOTT: That sometimes happens. Why would members do that on a safety issue? I do not think any members in here will want to interfere with safety standards on that basis.

Hon Derrick Tomlinson: Why are you doing it now?

Hon J.A. SCOTT: I do not believe people would want to interfere.

Hon N.D. Griffiths: The word "politics" is not a dirty word in a society such as ours.

Hon Derrick Tomlinson: Wash your mouth out.

Hon J.A. SCOTT: Some people might disagree with Hon Nick Griffiths in this day and age.

Hon N.D. Griffiths: They are stupid if they do. Pauline Hanson would disagree with me. There is nothing wrong with politics properly practised, and we are stupid if we say there is.

Hon J.A. SCOTT: If this change to the operation of this rail line, which has been exempted, is brought in by notice, there is no scrutiny role for this Chamber; but if it is brought in through regulation, there is such a role. If the Minister looks at the situation honestly, he will be aware that most regulations fly through here as though they never existed. Only a handful of regulations are disallowed; not too many. Although lots of disallowance motions are put forward, most of those are withdrawn because they are seeking explanations. Regulations are very carefully studied before being disallowed and, as I say, perhaps a handful may be disallowed. I will even admit that some are debated on a political basis on some occasions. I do not think that fear stands up in this instance. I feel some concern about the Minister's attitude that somehow this level of bureaucracy should not have the scrutiny of the Parliament. I am worried about that.

Hon MARK NEVILL: I ask the Minister to point out where in the Bill he draws the view that if there are two operators using one line, it cannot be exempt.

Hon E.J. Charlton: Yes, it is important. It is the policy of the Office of Rail Safety that where there is more than one operator on a line, it will insist that those operators must come under the Office of Rail Safety. It is not in the Bill.

Hon MARK NEVILL: That does not seem to me to be a very binding feature. If that is the case, it should be in the Bill. From my reading, that could be challenged legally. In any case, clause 4(2)(d) says that this legislation does not apply to a railway which is part of a system to which this legislation does not apply. If Hamersley's line and Robe River's line run together, under that subclause it could legally be classed as a system.

Hon E.J. CHARLTON: The power is in the legislation to grant an exemption. It should be taken the other way. We

are debating the power of the Minister to grant an exemption. It is granted for only one reason: Not because it is a single operator but because it is already subject to a set of regulations. It is anticipated that they will be given an exemption under certain conditions. The issue of its not being in the Bill is not the central question. Everyone must be subject to this legislation. No exemptions will be granted unless it can be demonstrated that there should be an exemption. These operators in the north west are being considered for exemption because they must already abide by a set of safety regulations.

Hon MARK NEVILL: I support that view. However, I am wary that we are doing something by stealth that we should be doing openly. While we have the two systems, at least they are discrete. Those operators that have been granted exemptions operate at extremely high standards. I imagine that the Westrail inspectors who went up there gained as much information as they imparted, but that is an instinctive guess on my part. Those railways are at the forefront of international technology. In fact, our competitive advantage in the iron ore industry is not so much because of our iron ore or methods of shipping, as because of our transportation technology. We have a good system and I would not like to see it mucked around by stealth. If we intend to bring these two systems together, we should do it after an examination of both systems and make a conscious decision.

Hon E.J. CHARLTON: I could not agree more. For what it is worth, I have been there and seen the rail transport operations, the quality control, the computer management and the system of identification of maintenance requirements. Every bearing of every wagon is technically identified and, using computer technology, faults can be detected. If a fault is detected, the wagon concerned is taken out of the network to the workshop, the bogey is replaced, wheel maintenance is undertaken and so on. The workshop is about 200 metres long, and six people work there because it is fully mechanised. Much repair work is avoided because preventive maintenance is carried out. As a consequence we have this high standard.

Hon Mark Nevill is correct. That is why the Government is receptive to approaches from these operators. The operation at Tom Price involves a train being pushed up the first incline by three locomotives. Once the train is over the incline, the locomotives return to Tom Price and the train is unhooked automatically by switches in the cab and it is sent back the other way. The high quality infrastructure is magnificent.

When the Government makes a decision to exempt these companies from the regulations administered by the Office of Rail Safety and imposes the conditions that it wants them to meet, it is expected that that will have no impact on their very efficient operation.

If the Committee decided it did not want these companies outside this legislation, I would be receptive to such an amendment. However, I will not force them to be subject to a set of regulations that could impact on the Office of Rail Safety and what is a very efficient operation. That is why I do not want to be part of it, and I will not be.

Hon NORM KELLY: I appreciate the Minister's comments. I understand from earlier comments that it is intended that these single user mine railways will eventually come under this legislation anyway. Hopefully it is only a matter of time before we have a uniform system throughout the State.

I refer members to the Minister's second reading speech in regard to what exemptions are envisaged. He stated -

> While the Bill covers all railways within Western Australia, the Minister will exercise his discretion under clause 4 of the Bill to exempt single user mine railways servicing the north west ports. These railways will continue to be audited by the Department of Minerals and Energy to ensure they achieve safety standards equivalent to those to be achieved under this legislation.

The Minister made the intention of the Bill perfectly clear in respect of the scope of the exemptions. All parties in this Chamber have supported that intention. It would be irresponsible then to create havoc by supporting a disallowance motion that went against that original intention. I do not believe that is the intention of any party; it is definitely not the Australian Democrats' intention.

However, as I said, if the Bill is to remain in its current form, perhaps we could allow a broadening of methods to exempt lines. What is being proposed is extremely responsible. It does not diminish the powers that the Minister should have with the oversight of Parliament. As I said, for a Parliament then to use disallowance powers to change that intention would be irresponsible. There would need to be extraordinary reasons to do that.

We could have an individual mining company operating its railway line and, for whatever reasons, it may have a history of incidents and accidents on that line that are still under investigation. That mining company may decide to open another mine site and construct a new line. I do not know whether that will create a reason that someone may want to move a disallowance motion if the operator's operations in the existing mine site are under scrutiny. However, it should be possible for this Parliament to investigate that matter; and if it were a regulation rather than a notice, the Parliament would have that power.

We are not trying to subvert the powers of the Minister or the Office of Rail Safety. The Minister has expressed himself clearly, but he has not given a sufficient argument for allowing the Bill to continue in its current form. The workability of this Bill will not be diminished one iota by supporting this amendment.

Hon E.J. CHARLTON: I respect what members think and how members vote, but members seem to be obsessed with wanting any exemption for mining operations in the north of the State to be in the form of a regulation that the Parliament will have the power to disallow. We want any exemption to be in the form of a notice that will be published in the *Gazette* so that the Office of Rail Safety will have the flexibility to respond to the issue on a day to day basis. The situation may not change from year to year, but the Office of Rail Safety should have the capacity to do that in the form of a notice. It takes three weeks to change a regulation.

If members opposite do insist that the Parliament have the power to disallow any notice, I suggest that that can be done under section 42 of the Interpretation Act, which provides that a notice may be dealt with as if it were a regulation.

Hon Tom Helm: It is a bit more complicated than that.

Hon E.J. CHARLTON: It is not complicated. I will circulate the proposed amendment.

Further consideration of the clause postponed, on motion by Hon E.J. Charlton (Minister for Transport).

Clauses 5 to 30 put and passed.

Clause 31: Railway employees -

Hon TOM HELM: I have raised some concerns about this clause and the provisions that may apply with regard to the capacity to perform work, and the strong possibility that the Office of Rail Safety may encourage accredited railway users to introduce random urine and blood testing. I have mentioned that my union, the Amalgamated Metal Workers Union, and the union that represents passenger transport nationally were opposed to the concept of random urine and blood testing.

BHP has implemented a program that is not necessarily approved by my union but has been accepted by the employer and the employees. The Minister may give me a verbal assurance that he will use his best endeavours to ensure that that sort of program is put in place. The program states -

1. OVERVIEW

   The Company and Unions are concerned about the effects on safety and job performance due to abuse of alcohol and other drugs. Being under the influence of a drug or alcohol on the job poses serious safety and health risks not only to the user but to all those who work with the user.

   The Company and Unions have established the following programme with regard to use or possession of alcohol or drugs.

2. OBJECTIVE

   The objective of this programme is to implement an effective Alcohol and Drug Program within the BHP Iron Ore workplace.

   The aim of the programme is:

   (a) To create a safe and healthy work environment for our employees which is free from the hazards associated with drugs and alcohol in the workplace.

   (b) To provide education and awareness training to employees to overcome the inappropriate use of drugs or alcohol.

   (c) To ensure a rehabilitation process is provided for employees with a drug and/or alcohol problem.

   (d) To foster an attitude amongst all employees that it is not acceptable to come to work under the influence of alcohol or any other drug that will prevent them from performing their duties in a safe manner.

   (e) To ensure the company meets its legal obligations in respect of providing a safe working environment for its employees and the general public.

At the appropriate time I will seek leave to table this document and ask the Minister to look at it. I cannot vouch for the scientific evidence that supports these levels, but the document states -

> It is a condition of employment for all employees at BHP Iron Ore to submit to testing. BHP Iron Ore will test for alcohol and other substances according to the table below:

It goes on to describe some chemical terms. The one that sticks in my mind is the 0.05 method of testing for alcohol. If the Minister undertakes to use his best endeavours to ensure that a system such as this is used as a tool to establish a safe and healthy working relationship between the company and the employees, I will support clause 31. I seek leave to table the document.

Leave granted. [See paper No 1742.]

Hon E.J. CHARLTON: The Government's response is absolutely in line with the member's point. It is an education program in which the employers and employees work together to achieve those standards and that level of cooperation to ensure safety in the operation. The whole thrust of the Rail Safety Bill is accreditation. It is about a system that ensures safety in the whole spectrum of the activities. To achieve that, those sorts of arrangements must be in place. The Office of Rail Safety will not knock on doors and test people for alcohol and the like. It will look at the master plan for dealing with all those issues. It must ensure there is a coordinated program to deal with the issues.

Clause put and passed.

Clauses 32 to 49 put and passed.

Clause 50: Self-incrimination -

Hon TOM HELM: I move -

> Page 46, after line 2 - To insert the following new subclause -
>
> (3) Subsection (2) does not apply to an investigation commenced under section 42.

This amendment replaces another proposed amendment. My education was further expanded by the Minister's adviser, and the intent of the original amendment is made much clearer by this amendment.

Hon E.J. CHARLTON: The Government accepts the amendment. I informed Hon Tom Helm earlier that the amendment is not necessary to deal with that particular part of the investigation to ensure that anybody giving evidence is adequately protected, because within the Bill and under the rules of evidence, people would be advised of their rights before they gave evidence as part of an investigation into an accident. However, to demonstrate that I can accept amendments, I accept this one.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 51 to 62 put and passed.

Clause 63: Review of Act -

Hon NORM KELLY: I move -

> Page 54, lines 12 to 15 - To delete the lines and substitute the following -
>
> (2) The Minister is to -
>
> (a) prepare a report based on the review under subsection (1); and
>
> (b) cause it to be laid before each House of Parliament,
>
> within 6 years after the commencement of this Act.

I was initially alerted to a possible amendment to this clause after consideration of clause 31, in that there were concerns that the employer-employee relationship could be damaged by invasive drug testing. As the Bill contains provision for a review of the Act, it is important to ensure that a report on the review set out in this clause is tabled in Parliament within a certain time frame. The review of the legislation is to commence not later than six months after the expiration of five years after its commencement, and is to be given to the Minister. He will prepare a report based on the review and present it to the Parliament.

Specifying a period of six years within which the report must be presented to the Parliament allows one year from the initiation of the review to the tabling of the report. That is an adequate time for that to be carried out. It is important that there be no opportunity for political expediency to delay the tabling of the report by a Minister. It is

important that the Parliament know as soon as possible how the legislation is operating, particularly as it will involve various operators who could be using the drug testing provisions.

Of course, the extent of information provided and the depth of review carried out will be at the Minister's discretion, so the amendment does not restrict his power to influence that review or report in any way. It will be beneficial and if the amendment is accepted, I look forward to receiving a report in six years' time.

Hon E.J. CHARLTON: I will bring the report to the Parliament in six years' time.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 64 put and passed.

Postponed clause 4: Application of Act -

Resumed from an earlier stage after the following amendment had been moved -

Page 6, line 17 - To delete the line and substitute "Regulations may,".

Hon TOM STEPHENS: I have been listening to every part of this debate, including the Minister's comments, with great interest. I was surprised to see the amendment which the Minister has proposed to clause 4. Nonetheless, it contains some interesting features that have been utilised in another Statute; namely, the Country Areas Water Supply Act. However, that Statute ensures that sections 41 and 42 of the Interpretation Act govern the measure.

The CHAIRMAN: Hon Tom Helm's amendment is before the Chair.

Hon E.J. Charlton: I have not moved my amendment yet.

Hon TOM STEPHENS: I do not want to be in the situation where something is suddenly withdrawn without being sure that the alternative is in the best interests of our intent. If the Minister is comfortable with sections 41 and 42 of the Interpretation Act governing the notice, I am inclined to accept the recommendation of the Minister. In fact, the Minister's provision is more in accord with the original amendment which appeared on Supplementary Notice Paper No 44. It seems not to have as much flexibility for the Minister as the compromise amendment moved by Hon Tom Helm. However, the Minister's offer seems attractive.

Hon J.A. SCOTT: Taking into account the comments by Hon Tom Stephens, and looking at section 42 of the Interpretation Act, if we are discussing withdrawing the amendment -

Hon E.J. Charlton: I advise that we agree that section 41 can be incorporated in the proposed amendment.

Hon J.A. SCOTT: I was worried that this amendment might take away a little flexibility.

Hon E.J. Charlton: That is what you have been trying to do all night!

Hon J.A. SCOTT: No, I want the power of scrutiny. I am not even worried about the power of disallowance. I want scrutiny. As long as the Minister is happy with that proposal, I will not argue. I am happy with the replacement amendment.

Hon NORM KELLY: Before we postponed debate on this clause, the Minister said that the main intention was to introduce flexibility so a notice could be applied in a far shorter time span than by way of regulation. Although the Minister's proposed amendment seems to be a good workable alternative, Hon Tom Helm's proposal would allow exemptions of up to 14 days to apply by notice. Flexibility would then be available. Therefore, if one wanted to make a permanent exemption, but wanted it in a shorter time frame, for whatever reason, one could by notice provide a 14 day exemption during which time one could put the regulations in train. However, the Minister's proposition seems to be a very comprehensive and easy solution to the matter.

Hon TOM HELM: Given the thrust of this debate, and the trust, honesty, compatriotism, solidarity and ability of the Minister to work with the wiser heads on this side of the Chamber, it would be churlish of me to complain that I do not have much time to conduct research on this measure. The Minister and my leader assure me that the proposal will provide the assurance I seek. To show the respect to which I think the Minister is entitled, I seek leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Hon E.J. CHARLTON: As it is now a quarter past eleven, having got the honourable member to withdraw his amendment, we might get on with the Bill. We are back to where the Bill should have been a couple of hours ago.

Hon Mark Nevill: It went off the rails.

Hon Kim Chance: Now you don't want to proceed with it!

Hon E.J. CHARLTON: Hon Brian Burke was chastised on at least one occasion in the other place for changing his mind. He said, "Well, I'm allowed to change my mind, aren't I? " I have always remembered that. It should be recognised and appreciated.

Hon Tom Helm interjected.

Hon E.J. CHARLTON: He was a nice bloke.

Hon Mark Nevill: He still is.

Hon E.J. CHARLTON: Indeed. I move -

Page 6, after line 25 - To insert the following subclause -

(6) Sections 41 and 42 of the *Interpretation Act 1984* apply to and in relation to a notice under subsection (3) or (5) as if the notice were a regulation.

This amendment will provide the opportunity for the Office of Rail Safety to make the changes immediately by notice. The notices will then go into the *Government Gazette,* which will still give the House the opportunity to move to disallow the notice as a consequence of its being incorporated under the Interpretation Act.

The amendment provides the Office of Rail Safety with the important criteria about which I have been talking for the past couple of hours.

Amendment put and passed.

Clause, as amended, put and passed.

Schedules 1 to 3 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 E.J. Charlton (Minister for Transport), and returned to the Assembly with amendments.

REVENUE LAWS AMENDMENT (ASSESSMENT) BILL

Assembly's Message

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

WADC AND WA EXIM CORPORATION REPEAL BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Max Evans (Minister for Finance), read a first time.

Second Reading

HON MAX EVANS (North Metropolitan - Minister for Finance) [11.23 pm]: I move -

That the Bill be now read a second time.

The primary purpose of the Bill is to repeal the Western Australian Development Corporation Act 1983 and the Western Australian Exim Corporation Act 1986. Passage of the Bill will allow the Western Australian Development Corporation and Exim to return approximately $12.6m and $4.4m respectively to the consolidated fund as anticipated in the 1997-98 Budget.

WADC and Exim have been liquidating their assets since 1990 when the then Minister for Finance and Economic Development, Mr Ian Taylor, issued a written direction to the corporations that they liquidate their affairs. This liquidation process has now been completed and the corporations are in a position to return all of their remaining assets, which are in liquid form, to the State.

The Government believes that neither WADC nor Exim has a role in the government structure, and the liquidation of their respective affairs and the approval by Parliament of the WADC and WA Exim Corporation Repeal Bill are appropriate means to accomplish the demise of these entities.

The Bill includes transition provisions which address the vesting of WADC and Exim assets and liabilities in the State; the custody of records; the disposal of subsequent assets and the discharge of subsequent liabilities; the cancellation of shares; and the treatment of subsisting agreements and instruments and annual report preparations. The Bill also contains consequential amendments to a number of other Acts which currently make reference to WADC and/or Exim.

Passage of the Bill will see an end to those two 1980s born corporations that created considerable controversy due to their lack of accountability and the way the Government of the day allowed these entities to remove themselves from the appropriate checks and balances of a public agency.

I now provide for members a summary of the sad history of both WADC and Exim, entities which added little real value to the State and which are, in total, barely able to return their issued capital to their shareholder - the State of Western Australia. Indeed, the financial position is far worse than first appears as much of the liquidation exercise was performed by senior public servants who have made no charge for the considerable time they spent in accomplishing this task.

The Western Australian Development Corporation Act was proclaimed on 19 April 1984. That Act established WADC's functions and granted it extensive powers to promote the development of economic activity in Western Australia; to bring together and coordinate financial resources for private investment and to increase the availability of capital to business undertakings; to promote the State and other Australian ownership of business undertakings engaged, or intending to engage, in the development of economic activity; and to increase opportunities for Western Australians to invest and participate in that development of economic activity, operate as a commercial business undertaking and generate profits for the benefit of shareholders - namely, taxpayers.

WADC was subsequently engaged to advise the Government on options for improving the utilisation and management of major state assets, such as land, buildings, investments and business undertakings. This arrangement completely ignored the checks and balances that were essential for public accountability for public owned and operated entities.

Hon Mark Nevill: Rubbish! This is a disgusting speech.

Hon MAX EVANS: I could have made it much better, but I have not done so.

The PRESIDENT: Order! This is a second reading speech.

Hon MAX EVANS: During its lifetime, WADC entered into many projects, promotions, joint ventures and partnership arrangements, and the corporation had numerous fully and partly owned subsidiaries, all falling short of being fully accountable to this Parliament or the Government of the day.

Development of many of these investments was quite clearly of an entrepreneurial nature and suited to the assumption of risk and reward as practised in the private sector.

During this period of prominence, WADC was sold or granted service contracts by the Government of the day that were below market or over priced in market terms for service providers. Clearly this approach cost our State millions of dollars.

A number of WADC's better known transactions include the following:

In 1984-85 WADC acted as the trust manager for the Western Australian Diamond Trust in which it took 5 million units. The trust purchased Northern Mining Corporation NL from the State and WADC acquired from NMC a 5 per cent participating interest in the Argyle Diamond Mines joint venture and the Ashton Exploration joint venture. Units in the trust were later quoted on Australian stock exchanges.

Later in the same year, WADC sold its investment in Northern Mining Corporation for a profit of $2.75m. This profit plus more could have been achieved without any WADC involvement.

WADC's management of the Western Australian Diamond Trust was ended in 1988-89 following a successful takeover of the units by CRA Ltd and Ashton Mining Ltd, its Commonwealth Government mates - in moral terms an abuse of its position in government. The Industrial Bank of Japan took a 50 per cent interest in the new foreign bank, which was to concentrate its activities mainly in resource and industrial activities. WADC's interest was later progressively sold down to the Industrial Bank of Japan. The bank no longer operates in Western Australia.

During 1985-86, WADC gave a guarantee to provide working capital for McLean Bros and Rigg. When the transaction soured, business failure cost WADC $2.95m.

Again in 1985-86, WADC sold the Perth Technical College site for a $13m profit after acquiring it from the Government for $20.5m in the same year. Obviously the initial acquisition was made well below market price. This sale was later to be examined by the Royal Commission into Commercial Activities of Government and Other Matters and highlights the doubtful practices involved.

In an expansive mood, WADC arrogantly declared in its 1985-86 annual report that the corporation was not a department of government and that the Minister was precluded from directing it.

This worrisome lack of control informed those that did not already know of the weakness in the corporation's structure. The weakness ultimately led to the liquidation of the operations of WADC. At a later date, the Burt Commission on Accountability report was to recognise this lack of control when it reported that WADC had failed to satisfy any of the criteria of accountability it had established.

Then there was the "underwater" connection - a good name for the types of deals done by this corporation. During 1986-87, WADC arranged finance for construction of the Perth Underwater World at Hillarys Boat Harbour, and took a 40 per cent interest in the project along with the Laurie Wilson group. This was another high risk venture that lost money, and which would have been better left to the private sector.

WADC and the Wilson group formed Underwater World International to market the "underwater" concept overseas. Construction of an Underwater World on Singapore's Sentosa Island became the first similar overseas complex which WADC was to eventually own. Underwater World Singapore opened during May 1991 but could not at that time be sold for anything like its establishment cost.

During 1991-92, WADC's shareholding in Underwater World Singapore was sold to a Singaporean family group, which also took over a debt associated with the project. In 1990-91, in terms of an existing agreement, WADC acquired the remaining 60 per cent interest in Perth Underwater World to ensure that the business could continue until it was sold as a going concern. The venture was eventually sold in September 1991 at a loss.

Members, for all of these wonderful deals, Mr Horgan received generous fees during his chairmanship of WADC, particularly given the armchair ride which the corporation was given at great expense to the taxpayer. In June 1989, Mr Horgan's termination fee of $630 000 merely served to rub further salt into the same wound.

Also, WADC acquired the remaining undivided half share of land at Port Kennedy and withdrew from its joint venture with Fleuris Pty Ltd. The subject land was then transferred to the Western Australian Land Authority.

Another land deal made by WADC was the development of the Cable Beach Club Tourist Resort at Broome. WADC took a 50 per cent interest in this project along with Lord McAlpine. Again, this development was better left to the private sector.

WADC land division was transferred to the Western Australian Land Authority during 1992-93. A number of WADC land profits had a degree of artificiality as a result of land from elsewhere in government being shuffled into WADC at unrealistically low values and sold later at market values. Members, this was how profit "WADC style" was generated.

Two other divisions of WADC - FundsCorp and EventsCorp - were designed to invest government's surplus funds, mainly from the Treasury, and to attract significant events of tourist value to this State. EventsCorp made some contribution to the State but its operating expenses were significantly supported by funds from elsewhere in government. FundsCorp was eventually disbanded and EventsCorp was transferred to the Western Australian Tourist Commission.

GoldCorp, the fourth division of WADC, was established to extend the Perth Mint's gold trading activities and had a relatively benign existence. GoldCorp's gold banking division was later purchased by BankWest and Gold Corporation was re-established as an independent statutory authority.

During November 1990, Ian Taylor, the then Minister for Finance and Economic Development, directed WADC to liquidate its affairs. The liquidation of WADC's affairs commenced from that date. The WADC Board was replaced with directors drawn from senior members of the Public Service.

WADC's impact on the State can be readily summarised by the words of Tim Treadgold, then associate editor of *The West Australian*, who said of the WADC -

> It was born a political wolf wrapped in sheep's clothes of commercial convenience and has done very little of lasting good for the people of Western Australia.

WADC has realised all of its assets, discharged its liabilities and is now in a position to return its remaining funds of around $12.6m to the Treasurer. The equity of WADC comprises $10m in issued capital and $2.6m in unappropriated profits. Upon payment of these funds, WADC will have returned all of its capital to the State and recorded an accumulated accounting profit of $2.6m that was clearly artificially made.

I now turn to Exim, the second corporation covered by this Bill.

On 14 January 1985, Western Australian Exim Corporation Ltd was incorporated with an issued capital of $2m as a public unlisted company which was wholly owned by Western Australian Government Holdings Ltd. All shares in Western Australian Government Holdings Ltd were held by the Treasury on behalf of the State.

The corporation's 1985 annual report cited the need to deal with emerging problems of the pastoral industry in the West Kimberley; and four pastoral properties previously owned by the Emanuel family were acquired that year including livestock, vehicles, plant and machinery.

The entity appointed the now better known figures of Messrs John Horgan and Brian Mahon Easton, respectively, as the inaugural chairman and managing director.

During 1986-87 Western Australian Exim Corporation Ltd transferred its business to the newly formed statutory authority, Western Australian Exim Corporation, which became known simply as "Exim". Exim appointed four directors from its predecessor body, including Mr John B. Horgan as chairman.

Exim's legislation established the objects of promoting development of the State through international and interstate investment, trade in goods and services and facilitating and encouraging the expansion of economic activity in the State with particular regard to export or import opportunities. The Act also granted extremely wide powers to Exim.

In 1988-89, Gogo station, a portion of the former Emanuel holding, was sold for $12.5m on a terms arrangement. Exim demonstrated its inability to structure a good financial deal for the State and the taxpayer when it later became necessary to settle a dispute on some representations made to the purchasers upon sale. Upon advice, Exim found it necessary to accept $1.55m less than the $4.5m then outstanding on the sale.

The remaining pastoral stations within Exim were later sold to WADC for $4.8m on vendor finance. However, Exim later waived the debt owed by WADC for the purchase of the pastoral stations - by then $5.5m including interest - and this amount was placed to Exim's profit and loss account. During its lifetime, pastoral stations comprised the major asset of Exim - once again, a project better suited to the private sector.

Shortly after the release of the Burt Commission on Accountability report during 1989, the then Premier announced that Exim would be discontinued and the corporation commenced an asset realisation program.

On 21 November 1990, Ian Taylor, the then Minister for Finance and Economic Development, directed the corporation to liquidate its assets. Liquidation of Exim's affairs commenced from that date. The Exim board was replaced with directors drawn from senior members of the Public Service.

Exim has realised all of its assets, discharged its liabilities and is now in a position to return its funds of around $4.4m to the Treasurer. The equity of Exim comprises $7m in issued capital and $2.6m in unappropriated losses. Upon payment of these funds, Exim will have returned its capital to the State but has incurred an accumulated accounting loss of $2.6m.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Bob Thomas.

BILLS (2) - RETURNED

Messages from the Assembly received and read notifying that it had agreed to the following Bills without amendment -

1. Western Australian Greyhound Racing Association Amendment Bill

2. Acts Amendment (Gaming) Bill

ADJOURNMENT OF THE HOUSE

HON E.J. CHARLTON (Agricultural - Minister for Transport) [11.35 pm]: I move -

That the House do now adjourn.

Uranium Mining - Adjournment Debate

HON MARK NEVILL (Mining and Pastoral) [11.36 pm]: Earlier this evening Hon Giz Watson spoke about radioisotopes. Much of what she said was only half the truth. We have just witnessed another case of half truths by the Minister for Finance and I am not sure at this stage which one I should respond to.

I will start with the comments made by Hon Giz Watson. She mentioned that the Australian Labor Party's policy was to have no new uranium mines. That is correct. She also said that a lot of these uranium shows around the State - which are often just trace amounts of uranium - because they are covered by mining leases were potential new mines. That proposition is absolute nonsense. There are only one or two potential mines in this State. The most likely is Canning Resources' at Kintyre. The Yeelirrie mine will probably sit there for another 20 years because Western Mining Corporation, which owns it, also owns Roxby Downs, which is the biggest uranium mine in the world; it is massive. We can forget about every other one in Australia. The rest of the debate is irrelevant because that deposit can be selectively mined for uranium in some areas; therefore, the number of mines is irrelevant. To suggest that all these are potential mines that somehow the Labor Party will let loose on the electorate is an absolute distortion.

Hon Giz Watson suggested that we do not need isotopes from reactors, that they can now all be produced safely from a machine called a cyclotron. Cyclotrons do produce isotopes. The previous Federal Labor Government built a cyclotron at a cost of $20m at the Royal Prince Alfred Hospital in Sydney. It was built next to the hospital because the half life of some of these isotopes is only a few minutes and they have to be shunted down a tube and used before they die. Cyclotrons produce different types of isotopes to reactors. With a reactor, a neutron is added to an element, whereas with a cyclotron a neutron is extracted. They are very different types of isotopes and are used for different purposes. The most commonly used isotope is technetium-99m, and that is used in 80 per cent of cases in Australia, particularly medical cases; it is produced by a reactor. It is not an isotope that can be produced by a cyclotron.

The idea that a cyclotron is the answer to all medical isotopes is absolute nonsense. The overlap between the two forms of isotopes is very small. Isotopes are incredibly important. They have saved millions of lives. They are used in all sorts of medical tracking procedures in people's bodies. They are produced both naturally and artificially. They can tell us how long water has been underground, whether it has been replenished in the past few years or whether it has been there for anywhere between 80 years and 200 years. We can date the age of the water sitting underground by using isotopes. One of the biggest uses of isotopes is for environmental purposes. They can be used to track sand moving in the oceans and down rivers. From the fallout of the atomic tests carried out in the 1950s and 1960s, we can determine where erosions have occurred since that testing, by tracking isotopes - I think it is the caesium-137 isotope - and ascertaining where they have been removed from and where they have been deposited. In terms of environmental use, isotopes are incredibly important. All of them cannot be produced by cyclotrons. Probably only about 15 per cent is produced by cyclotrons.

They are important for tracking sewerage waste and detecting flaws in pipes and in wells. They are used in the mining industry to measure the density of pulps in mining processes and in tracing pollution. They can act as tracers to detect certain cancers in the body. They are also used to kill the pain suffered by people who have bone cancer. The uses of isotopes go on and on.

To suggest that the reactors are not needed to produce isotopes, in my view is an amazing statement. We all know the role of isotopes in not only detecting, but also treating cancers. These days the biggest areas of development for the use of isotopes are in relation to Alzheimer's disease and neurological disorders. They have been used in mineral analysis in the mining industry for years. Radioactive isotopes are essential to our way of life. We could not exist in the way in which we do and maintain the level of safety of our equipment and technology without radioactive isotopes. To hear this myth reproduced tonight, that somehow cyclotrons will produce the isotopes we rely on for farming and veterinary purposes, and all the other purposes I have referred to, is a pitiful suggestion that has no basis in fact.

Scarborough Senior High School - Closure

HON E.R.J. DERMER (North Metropolitan) [11.43 pm]: Tonight I am sorry to report that the grisly deed is done - the Minister for Education has announced the closure of Scarborough Senior High School. By this act the Minister has clearly demonstrated his disregard for educational values; for the special educational qualities of Scarborough Senior High School; for a school operating on a scale where the administration and the teachers and the leadership of the principal were attuned to the needs of the students and, correspondingly, the needs of those students were attended to; for the educational significance of a school such as Scarborough Senior High School, founded on a close and very positive relationship with the local community; and for the secure environment for educational progress provided to the students, including those for whom that secure environment is most important - the Aboriginal students who in Scarborough Senior High School found exactly the right level of motivation and education for their progress. Sadly, the Minister for Education has not recognised that special educational value and has proceeded to

close this school and withdraw the excellent opportunities for Aboriginal students, opportunities they do not find often enough. I refer to the Minister's media statement in which this bad news was put forward, which states -

> The quality and choice of education for students from the Scarborough and Carine areas is set to improve with a restructure of secondary schools and commitment to new modern facilities.

This statement is rarely matched with irony and euphemism.

Hon Max Evans: We can read this in the newspaper.

Hon E.R.J. DERMER: The parents of the students at Scarborough Senior High School put forward a proposal for a west coast college which would have provided no less an opportunity in terms of subject choice, but that proposal would have entailed the survival of both Scarborough Senior High School and Carine Senior High School, as well as all the advantages of a modest sized school - the care and nurturing of the children being educated in those schools. The Minister's statement continues -

> Mr Barnett said that Scarborough Senior High School would close and students would have a choice of a variety of school environments in the western suburbs to which to send their children.

This is supposed to be about choice. Students can go to any school environment they like, so long as it is overcrowded and dislocated from their community. A false choice is being offered to the students of Scarborough Senior High School, just as there has been a false consultation process through the local area education planning from the time the Minister initiated it. The press release continues -

> Mr Barnett acknowledged the small environment of Scarborough SHS was appreciated by some parents and students.

There is no evidence of any parent or student who did not greatly value the quality educational environment provided by Scarborough Senior High School. More than 1 700 petitioners have made that view very clear to this House. Polls conducted by local newspapers in Scarborough have also made that view very clear. There is no evidence to the contrary, no evidence of anyone associated with Scarborough Senior High School - parents, teachers, members of the local community - who did not greatly appreciate its value. Those people worked hard to articulate that appreciation. Sadly, the ears of the Minister were deaf to the articulation of the support for the school that came from everybody associated with it, except - sadly - the member for Innaloo, who failed to appreciate the concerns of his constituents for the defence of Scarborough Senior High School. The press release continues -

> However, low enrolment numbers - 340 students in a school built for 1000 students - constricted the number of programs able to be offered to students.

I remind members that Scarborough Senior High School lost 100 students in this year's enrolment because of the Minister's deliberate action last September when he announced that this school would probably close. Of course, that led parents concerned with the continuity of the education of their children to move those students. One parent, who was a graduate of Scarborough Senior High School, a resident of Scarborough, was very pleased with the education his child was receiving at the school. He was the first constituent to bring his concerns for the future of Scarborough Senior High School to my attention. He withdrew his child from Scarborough Senior High School because, although he felt very strongly about the programs being offered, he would not be deluded by the Minister's pretence of a consultative process. He understood the Minister's intention was to close the school. Despite his great appreciation for the school, he felt forced by his responsible commitment to his child to change his enrolment.

His children are part of that quarter of Scarborough Senior High School's student population who were lost for no other reason than the Minister's action to undermine his own consultative process and condemn Scarborough Senior High School to an early demise. The press release continues -

> The changes to education involving Scarborough and Carine senior high school students will allow them all to participate in the quality and choice of education they deserve . . .

The choice for the parents and students of Scarborough Senior High School was very clear. Their choice was to sustain the special and high quality educational institution that they had. That choice has been dragged away by the Minister. No matter how he may try to dress it up, their choice has been taken away from them. That is the beginning and the end of the argument. The press release later reads -

> Aboriginal students at Scarborough will have a choice of school and will continue to be supported by specialised programs;

Sadly, success in Aboriginal education is not common in our State. Scarborough Senior High School is a brilliant example of success in that area. The clear choice of Aboriginal students and their parents was to sustain that special

and productive environment at Scarborough Senior High School. That choice has been taken away by the Minister's decision. The press release later reads -

> "The amount of time and effort given by students, parents, schools and the general community to the process is admirable and I thank everyone for their contribution," Mr Barnett said.

Mr Barnett should not be thanking parents and students and the community of Scarborough but apologising to them because he has put forward a farce of a consultative process, a process of so-called consultation actively undermined by himself on more than one occasion, and one where the Minister's starting position was the closure of Scarborough Senior High School and his finishing position was its closure. There is no surprise and no question at all that this whole process has been little more than a protracted ruse to cover his real intention and one whereby no respect was given to the opinions of people in the community. The process was met by the people of Scarborough, even though they understood the Minister's real intention. They were not going to rest until they had done everything that they could for the survival of their school and presented through every avenue available to them the special educational qualities that they admired so much in Scarborough Senior High School.

In closing, I draw the attention of the House to the local area education planning framework principles. The first principle includes the following important point -

> The interests of students should be the paramount consideration for all planning. All decisions must improve educational opportunities, not diminish them.

Sadly, the Minister's decision has demonstrated his total disregard for his first principle. The first principle of his program has been broken by the Minister's decision. The students at Scarborough Senior High School have lost a very special opportunity.

Question put and passed.

House adjourned at 11.53 pm

QUESTIONS ON NOTICE

Answers to questions are as supplied by the relevant Minister's office.

POLICE OPERATION SUPPORT FACILITY, MIDLAND

1305. Hon N.D. GRIFFITHS to the Attorney General representing the Minister for Police:

(1) Who received invitations to attend the announcement of the Police Operation Support facility at Midland on January 29, 1998?

(2) In each case, when were the invitations sent and by what means?

Hon PETER FOSS replied:

(1) Persons invited to the announcement of the Police Operation Support facility included:

Local business representatives;
Western Australia Police Service representatives;
Local Members of Parliament (including the Member for Midland);
Local Government representatives

(2) Due to the shortness of time available to organise the event, invitations were faxed to invitees both the afternoon prior and the morning of the announcement.

POLICE STATION BUDGETS

1419. Hon BOB THOMAS to the Attorney General representing the Minister for Police:

Further to question on notice 1187 of 1997 -

(1) What was the budget for -

(a) 1996/97; and

(b) 1997/98,

for the following Police Stations -

(i) Manjimup;
(ii) Bridgetown;
(iii) Boyup Brook;
(iv) Pemberton;
(v) Albany;
(vi) Mt Barker; and
(vii) Denmark?

(2) What specific measures will be taken in order to meet the budget reductions for each of the Police Stations listed above?

Hon PETER FOSS replied:

(1)

RECURRENT BUDGET ALLOCATIONS

	1996/97	1997/98
Manjimup	$ 65,591	$ 71,900
Bridgetown	$ 27,673	$ 35,100
Boyup Brook	$ 17,838	$ 18,500
Pemberton	$ 19,055	$ 24,400
Albany	$174,850	$208,100
Mount Barker	$ 28,036	$ 37,240
Denmark	$ 27,650	$ 34,135

(2) In all cases, the budget allocation for 1997/98 is greater than the budget allocation for 1996/97.

ELECTIVE SURGERY WAITING LISTS

1528. Hon J.A. COWDELL to the Minister for Finance representing the Minister for Health:

(1) How many people in the -

(a) Rockingham and Kwinana area; and
(b) Mandurah and Pinjarra area,

have had their elective surgery cancelled or postponed this year?

(2) Which hospitals were they booked into?

(3) How many people from -

(a) Rockingham and Kwinana area; and
(b) Mandurah and Pinjarra area,

remain on waiting lists at each of these hospitals?

Hon MAX EVANS replied:

(1) (a) 77 people who had their surgery booked at Rockingham Kwinana Hospital have had their surgery cancelled

(b) Nil.

(2) (a) Rockingham/Kwinana District Hospital.

(b) Not applicable. The Peel Health Campus (Mandurah Hospital) is not performing elective surgery at present.

(3) (a) Rockingham/Kwinana District Hospital is unable to provide numbers on waiting lists as there has to date been no requirement to collect this information. Doctors are now forwarding information on waiting lists, however, a complete picture is still not available.

(b) Murray District Hospital does not maintain waiting lists.

VIETNAMESE AS A TEE SUBJECT

1704. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Education:

Given the strong demand for Vietnamese language teaching in schools and the fact that it is an economically useful language -

(1) Why is Vietnamese language not recognised as a TEE subject?

(2) Will the Minister for Education consider including Vietnamese language studies as a TEE subject?

(3) If not, why not?

Hon N.F. MOORE replied:

(1) Vietnamese is not recognised as a TEE subject as to date there has been no demand.

In the implementation of the Languages Other Than English (LOTE) 2000 strategy through the process of school and district planning, there has been little interest in Vietnamese as the language to be taught in schools.

By the process of district planning, school communities, in collaboration with other schools in the cell or cluster, make the decision about which of the twelve Education Department priority languages will be taught. The priority languages are Aboriginal languages, Chinese, French, German, Indonesian, Italian, Japanese, Korean, Modern Greek, Spanish, Thai and Vietnamese. To date, only Girrawheen Senior High School has elected to offer Vietnamese. This language was introduced in 1997 and approximately 67 students are studying the language in 1998.

(2) Vietnamese will be considered as a TEE subject when there are sufficient students studying the accredited course.

(3) In introducing a new TEE subject, the Curriculum Council will normally only consider subjects which have

a large enough number of candidates for scaling (approximately 100), and is taught in a number of schools. Issues such as details of examination content need to be considered by the appropriate syllabus committee.

AGRICULTURAL COLLEGE, DENMARK

Cost of Construction

1734. Hon E.R.J. DERMER to the Leader of the House representing the Minister for Education:

(1) What will be the total cost for the building and establishment of the proposed new agricultural college in Denmark?

(2) What is the total value of the land on which the proposed new agricultural college will be built?

(3) When is it anticipated that the proposed new agricultural college will be opened?

(4) What is the anticipated number of students who will be educated at the proposed new agricultural college in the first year of its operation?

(5) What is anticipated to be the total number of teaching staff employed at the proposed new agricultural college in the first year of its operation?

(6) What is anticipated to be the total number of non-teaching staff employed at the proposed new agricultural college in the first year of its operation?

(7) What will be the total cost per student, of providing education at the proposed new agricultural college in the first year of its operation?

(8) What facilities will be shared between the proposed new agricultural college and the new Denmark High School?

(9) What examination has been undertaken of the potential for further sharing of facilities between the new Denmark High School and the proposed new agricultural college?

Hon N.F. MOORE replied:

(1)-(3) It is planned to replace the administration facilities, teaching areas, residential accommodation and kitchen/dining facilities of the existing Denmark Agricultural College on a staged basis over the next four years. Construction is expected to be completed by December 2001. The new facilities will be located on the existing Agricultural College land adjacent to Jack Moore Avenue. This land, which forms part of the total land holdings of Denmark Agricultural College, is already vested in the Minister for Education.

Whilst detailed costings have not yet been prepared, it is anticipated that the total cost of the new facilities will be about $6 million.

(4) At present, there are 62 students enrolled at Denmark Agricultural College. It is planned to cater for 80 students in the new facilities.

(5) At present, there are 8 FTE teaching staff including the Principal. With the anticipated increase in student enrolment, it is expected that about 9.5 FTE teaching staff will be required.

(6) At present, there are 21.3 FTE non-teaching staff. With the anticipated increase in student enrolment, this allocation of staff is expected to increase slightly.

(7) Based on a projected additional 20 student places in the first year of operation, the costs per student will be about $15 000.

This cost reflects the specialised nature of the courses provided by the Agricultural College, the vocational and practical nature of the training, the limitations on student numbers, and the residential costs not covered by fees. This compares favourably with similar student contact hour courses for vocational training delivered thought TAFE.

(8) It is proposed to share the use of the sporting facilities including an oval and tennis courts between the Agricultural College and the new Denmark High School.

(9) During the design development phase of the project, the shared use of facilities via a technology link between the Agricultural College and the new high school will be investigated.

FARMS ON FREEHOLD TITLES

1754. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Lands:

(1) How many farms in Western Australia are on freehold titles?

(2) What is the total area of freehold farms?

Hon MAX EVANS replied:

(1) No records are kept relating to land use on freehold titles by the Department of Land Administration.

(2) The Department has advised it has no records which could provide this information.

PASTORAL LEASES, NUMBER AND OWNERSHIP

1757. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Lands:

(1) How many pastoral leases were there in Western Australia in 1993?

(2) What area did these leases cover?

(3) How many of these were wholly or partly foreign owned?

(4) How many of these were operated by a resident leaseholder?

Hon MAX EVANS replied:

(1) 556 pastoral leases comprising 519 Stations.

(2) 94,965,725 hectares.

(3) 15.

(4) The Pastoral Board does not record this information. Many pastoral lessees appoint managers to run the station on their behalf.

PASTORAL LEASES OWNED BY MINING COMPANIES

1759. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Lands:

(1) For each of the last five years, how many pastoral leases have been owned by mining companies?

(2) How many, and which, pastoral leases were bought by mining companies in 1997?

(3) For each of the last five years, how many exemptions have been granted by the Pastoral Board for pastoral leases owned by mining companies?

Hon MAX EVANS replied:

(1)

1993	21
1994	25
1995	36
1996	38
1997	41

(2) Three - Annean, Mt Burges, Norie.

(3)

1993	1
1994	3
1995	1
1996	1
1997	2

NITA DOWNS PASTORAL STATION

1764. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Lands:

(1) Is Nita Downs pastoral station stocked?

(2) Does the station conform to the term of its pastoral lease?

Hon MAX EVANS replied:

(1) No.

(2) The lessee of Nita Downs is currently in breach of some lease conditions and these have been taken up with the lessee by the Pastoral Lands Board. A further inspection of the Station is to be undertaken later this year to determine if the issues have been addressed.

NATIVE TITLE

Removal of Records from Public Records Office

1777. Hon TOM STEPHENS to the Attorney General:

(1) What records have been removed from the Public Records Office by the Crown Law Department, or any other agency, in relation to native title matters?

(2) What are the specific files, their accession numbers and duration for which they have been removed from the PRO?

Hon PETER FOSS replied:

(1)-(2) The Crown Solicitor's Office obtained approximately 150 files from the Public Records Office for the purposes of litigation involving the Mirawung/Gajerong Native Title Claim. Those files have been returned to the Public Records Office.

The information sought by these questions would require considerable time and effort, for example to ascertain what other departments and agencies may have removed records from the Public Records Office for the purposes of Native Title matters. This is particularly so as agencies when requesting records are not required to indicate to the Public Records Office why those records are sought and, therefore, that Office is not in a position to advise what records may have been removed in relation to Native Title matters. Therefore, I am not prepared to allocate resources for this purpose.

However, the Member will be aware that if persons wish to obtain access to records in the Public Records Office they can approach that office directly.

MINIM COVE CLEANUP CONTRACT

1789. Hon MARK NEVILL to the Minister for Finance representing the Minister for Lands:

In respect of the Minim Cove development being undertaken by LandCorp -

(1) Did LandCorp know the extent of the contamination prior to letting the contract to clean-up contamination at Minim Cove?

(2) Did the environmental engineers Halpern Glick Maunsell Pty Ltd correctly identify the volume of contaminated ground?

(3) If not, why not?

(4) What payments have been made to Halpern Glick Maunsell Pty Ltd and their subcontractors in respect of work done at Minim Cove and for what work were the payments made?

Hon MAX EVANS replied:

(1) The extent of contamination was estimated to be 202,325 m^3 in July 1995.

(2) No.

(3) A number of factors contributed to the underestimation and these are detailed in public reports completed under EPA Section 46 Assessments dated January 1996 and April 1997. These reports are available from the Department of Environmental Protection.

(4) $3,426.80 Video record of site clean up activities.

$591,450.06 Supervision of site clean up activities and contract administration.

$93,826.50 Supervision of foreshore clean up and contract administration.

MINIM COVE CLEANUP CONTRACT

1792. Hon MARK NEVILL to the Minister for Finance representing the Minister for Lands:

In respect of the Minum Cove development being undertaken by LandCorp -

(1) What was the original cost estimate for clean-up works and haulage of material to and from the site at Minim Cove?

(2) What is the final estimated cost of the clean-up works and haulage of material to and from the site at Minim Cove?

(3) What is the total cost to date for clean-up works and haulage of material to and from the site at Minim Cove and to whom have these funds been paid?

(4) With whom have uncompleted contracts been entered into, what work is to be done under each contract and what is the dollar amount of funds in each contracts?

(5) What work is budgeted and what future costs are anticipated for clean-up works and haulage of material to and from the site at Minim Cove?

Hon MAX EVANS replied:

(1) The estimate in July 1995 was $5 million.

(2) The estimate in May 1998 was $13.8 million.

(3) $7,139,561 has been paid to surveyors, consulting engineers, consulting landscape architects, legal consultants, environmental consultants, civil contractors, Water Corporation, Western Power, landscape contractors and local government authorities.

(4)

Brown McAllister	Survey	$8,359.35
Golder Associates	Engineers	$1,900.00
Halpern Glick Maunsell	Engineers	$76,374.33
Envirorent Pty Ltd	Env. Consultants	$9,600.00
Coates Hire	Site Facilities	$2,000.00
Giacci Bros	Civil Work	$1,586,720.00
Buckland Hill School	Power Supply	$1,938.00
Electric Hire	Power Supply	$1,000.00
Water Corporation	Water Supply	$10,000.00
E.M.R.C.	Disposal Facility	$2,166,000.00
Plan E	Landscaping	$47,534.00
Analabs Pty Ltd	Env. Consultants	$8,000.00
Elegant Landscapes	Landscaping	$178,222.00
Western Power	Power Supply	$3,896.25

(5) $6,607,000.00

HEALTH DEPARTMENT'S REGIONAL BOUNDARIES

1835. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Health:

(1) Can the Minister for Health table a map showing the regions that is the basis for the operations of the Health Department across Western Australia?

(2) What was the basis for establishing these boundaries?

(3) What relationship do these departmental regional boundaries have to the regional boundaries of other State Government departments and agencies?

Hon MAX EVANS replied:

(1) Yes. [See paper No 1741.]

(2) Within the Health Department of Western Australia each Health Service is responsible for the administration of either one or a group of hospitals. These hospitals are in turn responsible for the supply of public primary and secondary health care services to people within their area.

Each Health Service boundary is then constructed by asking each Health Service General Manager from what SLA's and Postcodes do the majority of their hospital patients originate. From this information boundaries are constructed. The basic building block is the Australian Bureau of Statistics Statistical Local

Area boundary. Statistical Local Area boundaries are both geographically more stable and also the smallest geographical unit for which the Australian Bureau of Statistics produces annual estimated resident population figures. These figures represent the most accurate and reliable independent source of population estimates available to the Health Department. Accurate population figures are necessary for any health service needs analysis and for any system of population based resource allocation. Statistical Local Area governments (Local Councils) may also have a significant role in the planning, co-ordination and delivery of health services in their local community and it may be preferable that they deal with only one Health Service general manager.

(3) The administration needs of the Health Department are different to those of other government departments, therefore there is little similarity with Health Department's boundaries and other government department's regional boundaries.

MENTAL HEALTH, MIGRANT SERVICES

1861. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Health:

(1) Is the Mental Health Service planning changes in the delivery of services for migrants of cultural and linguistic diverse background, especially for victims of torture and trauma?

(2) What are these proposed changes?

(3) When will these changes be implemented?

Hon MAX EVANS replied:

(1) Yes. A forum was recently held by the Mental Health Division with the aim of initiating the development of a formal transcultural mental health policy and a strategic plan to guide future initiatives for migrants of cultural and diverse backgrounds.

The forum was attended by members of the ethnic communities, other consumers, service providers both public and private and representatives from the Mental Health Division. A range of issues were discussed and the next step is to develop the policy framework to guide the planning for this target group.

The Mental Health Division currently purchases services for victims of torture and trauma through the Association for Services for Torture and Trauma.

(2) At this stage the proposed changes are not known.

(3) At this stage the date for implementation of any changes is not known.

INDUSTRY SKILLS CENTRE FUNDING

1862. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Employment and Training:

(1) In reference to the Industry Skills Centre, how many and which industries were funded?

(2) How much did each industry receive?

(3) How much was allocated to building and construction upgrades?

Hon N.F. MOORE replied:

The Skill Centre program is an ANTA program that is managed by the States and Territories and is Commonwealth funded. ANTA has the final say in approving proposals that are forwarded to it by the States.

(1) Since 1995, the following skill centres in Western Australia have been approved by ANTA and funded under the skill centre component of the infrastructure program:

- Plumbing and Painting Industry Skills and Technology Centre – building and construction industry.
- Australian Medical Association – health industry (medical reception, medical terminology and medical accounts training).
- Chamber of Commerce and Industry – metals and engineering sector.

- Western Australian Hotels Association – hospitality and tourism industry.

  This project did not proceed to construction.

(2) ANTA funding allocated to the above skill centres (with the exception of the Western Australian Hotels Association project) is as follows:

- Plumbing and Painting Industry Skills and Technology Centre - $607,500.
- Australian Medical Association - $161,500.
- Chamber of Commerce and Industry - $1,200,000.

(3) The estimated total funding allocated to building and construction upgrades (including fit out costs) for the above skill centres is as follows:

- Plumbing and Painting Industry Skills and Technology Centre - $607,500.
- Australian Medical Association - $161,500.
- Chamber of Commerce and Industry - $1,200,000.

EMPLOYMENT AND TRAINING, ANNUAL REVIEW PROCESS

1863. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Employment and Training:

(1) In regard to the Annual Review Process, how will it work?

(2) Who will be involved in the process?

(3) How much will the annual review process cost?

Hon N.F. MOORE replied:

(1) Core and non-core services will be assessed against key performance indicators contained in an Annual Business Plan that will form the basis of an Annual Performance and Funding Agreement with the relevant Industry Training Council or industry organisation.

(2) The State Training Board will assess the performance of the relevant Industry Training Councils or industry organisations each year on the basis of the Performance and Funding Agreement. The Western Australian Department of Training will assist in this process.

(3) The Department already assesses the performance of the 14 funded Industry Training Councils each year on the basis of their Performance and Funding Agreements. The costs are not identified separately, but form a component of the support that the State Training Board receives from the Western Australian Department of Training.

TRAINING PROVIDERS AND SERVICES

1864. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Employment and Training:

I refer to the WA Department of Training's "1998/1999 Budget Paper Overview", Output 2 Delivery of Training Services which states that the outcome is a bigger and better pool of training providers and services -

(1) What research base is available to support the view that there will be a bigger and better pool of training providers?

(2) Was a cost benefit analysis carried out?

(3) If yes, what were the findings?

(4) If not, why not?

Hon N.F. MOORE replied:

(1) The Department of Training maintains a database for courses funded by competitive processes. The number of training providers (public and private) contracted to deliver vocational education and training has increased from 37 in 1994 to 111 in 1998. Over 950 courses have been funded through competitive

processes since 1994. Approximately 50% of the student curriculum hours of training allocated by competitive tender have been delivered by providers from the public system.

(2) The Department maintains ongoing evaluation of the costs and benefits of training allocated by competitive processes. An evaluation of tendered courses funded from 1994 to 1996 has been completed. The introduction in 1998 of user choice arrangements for New Apprenticeships allows employers and trainees to select the training provider of choice according to their assessment of the merits of the training provider and the benefits of the training. The Department is undertaking a review of the impact of user choice to inform future policy development.

(3) Some of the benefits of funding training by competitive processes, as indicated by the findings of the evaluations carried out to date include increased diversity in the provision of VET by a greater range of training providers and more choice available for the users of training. In general, the unit costs of courses funded by competitive processes is lower than for courses funded by other means.

(4) Not applicable.

APPRENTICESHIPS, INCREASE

1865. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Employment and Training:

I refer to the WA Department of Training's "1998/1999 Budget Paper Overview", Output 3 regarding New Apprenticeships -

(1) How did the Department of Training determine there would be a 10 per cent increase in apprenticeships in 1998?

(2) What percentage of new apprenticeships are envisaged for the building and construction industry?

Hon N.F. MOORE replied:

(1) The Western Australian Department of Training based the 1998 projection on information provided by the Industry Training Councils, training providers who are registered to deliver apprenticeships and traineeships and the advice of relevant Departmental staff.

(2) 1997 - 9%
1998 - 10%

HEALTH AGENCIES' REPORTING OBLIGATIONS

1866. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Health:

I refer to the Auditor General’s report on Public Health Sector Report 3, page 11 which states that 89 per cent of the 103 public health sector agencies did not fulfil their statutory reporting obligations and that 39 per cent of agencies (an increase of 23 per cent from 1995/96) granted an extension of their deadline failed to submit their financial statements by the approved extension date -

(1) What justification is there that 89 per cent of all health sector agencies require extensions to fulfil their reporting obligations?

(2) Is there any justification in the increase in agencies not submitting their financial statements by the approved extension dates?

(3) Are any of the agencies "repeat offenders"?

(4) If yes, which ones?

(5) What steps can be taken to ensure these agencies fulfil their obligations to report in the future?

(6) Is additional funding being budgeted to ensure the agencies are providing adequate training and guidance for staff in reporting financial statements?

Hon MAX EVANS replied:

(1) In the case of health services, it has been policy that accounts are forwarded to Corporate Office where quality assurance checks take place to ensure that the contents of the document including not only the financial statements, but the broad operational statement, is all included and every statutory requirement is incorporated. The process for the past few years has been to seek an extension of time because there were

many health services that lodged on the due date of 31 August, making the review process difficult, and as a result delayed submission to the Auditors.

For 1998/99, all Board Chairpersons have been advised that:

(a) There will not be an extra extension beyond statutory time of 31 August 1998.

(b) Each Board will be responsible for content and quality of the Annual Report.

(2) The health services generally were later than usually expected. Some did not submit reports to Corporate Office until late September, again making review difficult.

(3) The Health Department has not kept statistics on lodgement dates over time.

(4) Not applicable.

(5) Each Health Service has an Accountable Authority who is primarily responsible for the adherence to all statutory requirements and government polices. See comment in item (1) above re 1997/98 requirements which have been communicated to each Board.

(6) Agencies are provided funding on the basis of health outputs. Each agency allocates funding to various priorities within the health service. There are no centrally funded arrangements for staff finance training other than those that exist from time to time for the implementation of various accounting systems throughout the health sector and the normal annual financial account training courses.

HEALTH SECTOR ACCOUNTING DISCREPANCIES

1867. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Health:

I refer to the Auditor General's report on Public Health Sector Report 3, pages 15-17 which outlines various major accounting discrepancies. What steps are being put in place to ensure that staff are well trained in accounting procedures and record keeping, in order to prevent such discrepancies re-occurring?

Hon MAX EVANS replied:

Training courses for the preparation of financial reports are conducted every year by the Corporate Office of the Department. Since the introduction of accrual accounting, a significant amount of training has taken place, including some fifteen (15) Skills Development Centre Courses of three (3) days duration which were conducted Statewide.

Most of the issues which the Office of the Auditor General highlighted are high level issues that have arisen from the interpretation of accounting standards and the complex treatment of asset revaluations. Some issues are those that rely on professional skills and judgments that are not available at all rural health services because of the size of operations, and the isolation from major centres. In addition, rural areas generally have a more transient workforce and therefore there is difficulty in health services in retaining skilled staff over a period of time. This has resulted in constant retraining of basic principles, periods of inefficiency because of the developing skills, and problems associated with the loss of corporate knowledge and 'know-how' when staff move on to other locations.

It should also be pointed out that the adoption of accrual reporting for health services is still only a relatively new process, both in terms of the implementation at health services and in the policies, Accounting Standards and Treasurers Instructions to the Financial Administration and Audit Act.

Every year substantial revisions and additions have been made to these standards and Treasurers Instructions making the reporting obligations more complex and technically demanding. To overcome this issue the Department is currently considering concepts of appropriate financial support.

When the accrual accounting process commenced, annual reports were compiled using "cash" information and basic accrual data. A sophisticated accrual-based financial system has now been installed in rural Health Services and again, there is a learning curve in the transition to using accrual factors in system form.

HOSPITAL BOARDS' FINANCIAL STATEMENTS

1868. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Health:

I refer to the Auditor General's report on Public Health Sector Report 3, page 10 regarding Corporate Governance. Could the Minister for Health table the 21 hospital boards who certified financial statements which contained significant errors indicating inadequate due diligence was applied prior to certification?

Hon MAX EVANS replied:

The Health Department has not been provided with detailed information regarding this point from the Office of the Auditor General and is therefore unable to table the information at this time.

The Office of the Auditor General has been requested to provide this data.

HOSPITAL STAFF ROSTERING SYSTEM CONTRACT

1869. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Health:

I refer to the Auditor General's report on Public Health Sector Report 3, page 8 regarding the Staff Rostering System -

(1) What was the value of the contract at the time of introduction?

(2) What cost benefit analysis had been undertaken by the department in relation to this contract?

(3) Who carried out the cost benefit analysis?

(4) Who won the contract?

(5) What due diligence checks were carried out on the contractor?

(6) Who was the due diligence check carried out by?

Hon MAX EVANS replied:

(1) $2,114,600.

(2) A cost benefit analysis of the human resource management function, including the automation of payroll and rostering processes, was completed in December 1993.

(3) Departmental officers, using input from two reports produced by external consultants.

(4) Ferntree Computer Corporation (now by acquisition, GE Capital IT Solutions).

(5) Normal tendering procedures were followed, including detailed analysis of responses to the Request for Tender, company searches, interviews and demonstrations and reference site checks.

(6) Health Department officials.

HOSPITAL STAFF ROSTERING SYSTEM, USER TRAINING

1870. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Health:

I refer to the Auditor General's report on Public Health Sector Report 3, page 8 regarding the Staff Rostering System -

(1) Who was responsible for the initial user training provided for the Staff Rostering System?

(2) Was the cost of user training included in the original contract price?

(3) What was the cost of user training initially?

(4) Has there been a cost over-run in user training?

Hon MAX EVANS replied:

(1) Ferntree Computer Corporation (now by acquisition GE Capital IT Solutions).

(2) Yes.

(3) $134,550.

(4) No.

EXMOUTH HOSPITAL, OBSTETRIC TRAINING

1878. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Health:

(1) Will it be possible for the Exmouth Hospital to cover the cost of training their nursing staff for obstetric

duties from their existing annual recurrent funds without a specific additional budget allocation from the State Government in the 1998/99 financial year?

(2) What areas of hospital expenditure will be cut if the cost of this obstetric training is covered from within the hospital's existing budget allocation?

Hon MAX EVANS replied:

(1) Yes.

(2) None. The staff training budget has the flexibility to allow for this change in training needs.

MINIM COVE

Giacci Bros Pty Ltd's Contract

1911. Hon MARK NEVILL to the Minister for Finance representing the Minister for Lands:

I refer to the Giacci Bros Pty Ltd contract for $1.586m with Landcorp at Minim Cove -

(1) To where is the material being hauled and how many tonnes or cubic metres are being removed to each dump site?

(2) What is the estimated level of deleterious elements in the material being removed?

Hon MAX EVANS replied:

(1) Under the contract with Giacci Bros Pty Ltd up to 32,500m³ will be transported to the Red Hill disposal facility.

(2) 6,000m³ of the material is estimated to be Class III and 25,600m³ is estimated to be Class IV under the Department of Environmental Protection criteria for landfill waste classification.

QUESTIONS WITHOUT NOTICE

POLICE OFFICERS

Appeal against Dismissal

1756. Hon TOM STEPHENS to the Attorney General representing the Minister for Police:

(1) How does the Minister justify his decision to deny Western Australian police officers a right of appeal against dismissal, which all other police officers in the country have?

(2) How does the Minister propose to avert the threat by police officers to take industrial action in protest against this lack of a right of appeal against dismissal?

Hon PETER FOSS replied:

I will commence the answer by saying that the question contains a statement that is not correct. The Leader of the Opposition should review the situation. He will find there is a right of review which, in many cases, is not on the merits, but on only the process. This question asks how the Minister justifies the decision. I take it that the Leader of the Opposition is referring to the Minister for Police.

(1) Following a review of section 8 of the Police Act by Mr Michael Codd in January this year, new arrangements have been agreed to between the Minister and the Commissioner of Police which ensure that any officer facing action under section 8 has the right to an independent review to ensure the process has been fair. The reviewer will be able to take into account a wide range of matters including a failure to provide reasons that are adequate and intelligible; whether there is an absence of evidence or other material to justify the decision; whether the decision was made in bad faith or for an improper purpose; or whether an error of law has occurred. These changes to the operation of section 8 are substantial and have also resulted in officers being stood down on full pay, rather than suspended without pay.

(2) The Minister has met with representatives of the Police Union (WA) in an effort to resolve the issue prior to any industrial action. Discussions are continuing.

POLICE INDUSTRIAL ACTION

Action by Government

1757. Hon TOM STEPHENS to the Attorney General representing the Minister for Labour Relations:

Is the Minister prepared to rule out action against police for the industrial action they are proposing to take on Saturday, given that they did not conduct a secret ballot as required by legislation; and, if not, why not?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

No. This is a hypothetical question and it would be inappropriate to provide an answer at this time. Perhaps as Attorney General I should comment on that.

The PRESIDENT: Order! If this question is hypothetical, it is out of order anyway.

POLICE ACT

Section 8 Changes

1758. Hon N.D. GRIFFITHS to the Attorney General representing the Minister for Police:

Were any undertakings given prior to either the 1993 or the 1996 election with respect to changes to section 8 of the Police Act; and, if so, what were they?

Hon PETER FOSS replied:

I understand that prior to the 1993 state election both the then Labor Government and the Liberal Opposition discussed vicarious liability and section 8 of the Western Australian Police Act. I am not aware of any undertakings provided to the Police Union in relation to either of these issues prior to the 1993 or the 1996 election. At the last State election, however, the State Government did undertake to rewrite the Western Australian Police Act. This is being done.

Hon Tom Stephens: What a pathetic series of answers.

Hon PETER FOSS: It happens to be correct.

The PRESIDENT: Order! I will not ask members for any further questions without notice if there is to be interjection.

WESTERN AUSTRALIAN FOREST ALLIANCE

Appraisal of Proposal

1759. Hon NORM KELLY to the Minister representing the Minister for the Environment:

Has the Department of Conservation and Land Management conducted an appraisal of the final Western Australian Forest Alliance proposal published this month entitled "The Forest Alliance proposal for a comprehensive, adequate and representative forest conservation reserve system and sustainable timber production in WA"; and, if so, when will the Minister table the results of such an appraisal?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

Yes, a preliminary analysis of the WAFA proposal has been carried out. A more detailed analysis is being undertaken, which will be made available shortly.

GORDON ROAD WASTE TRANSFER STATION

1760. Hon J.A. SCOTT to the Minister representing the Minister for Local Government:

I refer to question on notice 1689 of 27 May 1998. How did the Minister resolve the issue, or is it still unresolved?

Hon E.J. CHARLTON replied:

I thank the member for some notice of this question.

The Minister for Local Government was satisfied that the Mandurah City Council took all the appropriate action with regard to the issues raised by Mr Guerin. The matter must be resolved by the Mandurah City Council.

ROYAL FLYING DOCTOR SERVICE

Hospital to Hospital Patient Transfers

1761. Hon MARK NEVILL to the Minister representing the Minister for Health:

(1) What arrangements have been entered into with the Royal Flying Doctor Service of Australia Western Operations for the provision of hospital to hospital patient transfers from 1 June 1998?

(2) How are those arrangements being funded?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1) The Royal Flying Doctor Service has agreed to continue to provide interhospital transfers under agreement with the Health Department of Western Australia.

(2) The Royal Flying Doctor Service operations, including hospital to hospital patient transfers, are being funded jointly by the Health Department of Western Australia and the commonwealth Department of Health and Family Services.

"AMSWA" ATTITUDE MONITORING SURVEYS

Tabling

1762. Hon KEN TRAVERS to the Acting Leader of the House representing the Premier:

I refer to motions Nos 38 and 39 on Legislative Council Notice Paper No 85 - "(AMSWA) Attitude Monitoring" prepared by West Coast Field Services for the Office of the Premier, and submissions by the State Government to the Commonwealth Government's Commission on Audit which refer to taxation reform, respectively - and ask: Will the Government table those documents; and, if so, when; and if not, why not?

Hon E.J. CHARLTON replied:

I thank the member for some notice of this question.

The Government has tabled in the Legislative Assembly all attitude monitoring studies in its possession. The joint submission of the States and Territories to the National Commission of Audit was tabled in this House on 11 June 1998.

KINDERGARTEN PROGRAM FOR FOUR YEAR OLDS

1763. Hon HELEN HODGSON to the Minister representing the Minister for Family and Children's Services:

(1) How many day care centres offer the kindergarten program for four year olds?

(2) Will the Minister table details of the centres?

(3) What is the ratio of children to carers or teachers required under the kindergarten program for four year olds operating in child care centres?

Hon E.J. CHARLTON replied:

I thank the member for some notice of this question.

(1)-(2) This question requires further clarification because kindergarten programs for four year old children operate in a number of different environments. I ask the member to clarify whether the question relates to, firstly, the kindergarten program licensed under the Community Services (Child Care) Regulations which operates in family centres and community centres and is funded by Family and Children's Services; secondly, the four pilot kindergarten programs which involve Education Department teachers being placed in child care centres; or, thirdly, the programs which licensed child care centres operate as part of their day to day care for four year old children.

(3) The child to staff ratio in services licensed under the Community Services (Child Care) Regulations for children aged between three years and six years is 1:10.

PERTH TO KALGOORLIE RAILWAY

Upgrade

1764. Hon SIMON O'BRIEN to the Minister for Transport:

Why has it been decided to upgrade the railway from Perth to Kalgoorlie before constructing the railway south to Rockingham?

Hon Kim Chance: It will go through Tammin and Merredin.

Hon E.J. CHARLTON replied:

The member probably does not need a better reason than that.

Hon Tom Stephens: If we can get a rail line up there, we will keep the Minister off the road.

The PRESIDENT: Order! I call on the Leader of the Opposition to come to order. He did not ask the question and he was not asked the question. It is up to the Minister for Transport to answer it.

Hon E.J. CHARLTON: The Leader of the Opposition does not have a leg to stand on.

Hon Tom Stephens: But I do not have a lead foot.

Hon E.J. CHARLTON: The leader has been skating on thin ice.

It was decided to upgrade the railway between Perth and Kalgoorlie because of the age of the existing rolling stock - it is coming to the end of its life. The south west railway includes Thomsons Lake to Rockingham and Mandurah, in which Hon John Cowdell has so much interest and supports what the Government is doing. The master plan for that project will be completed in November this year. The report will then go to Cabinet for action to determine the implementation procedures and the way it can best be done. The Government looks forward to bringing forward the planning and implementation of that south west railway.

As has been demonstrated with the purchase of new cars for the fast track operation and for the Perth, Avon and Kalgoorlie lines, the people of Western Australia, and particularly those in the south west, can look forward to this Government's delivering as it always does.

ATTORNEY GENERAL

Reports following Overseas Trips

1765. Hon E.R.J. DERMER to the Attorney General:

After spending just over a week in Japan in late May 1996, the Attorney General embarked on a three week tour of Brazil, Argentina and South Africa during July and August.

(1) Did the Attorney General compile a report on the Japan trip?

(2) Did the Attorney General compile a report on the trip through Brazil, Argentina and South Africa?

If yes -

(3) When were the reports compiled?

(4) Who wrote the reports?

(5) Will the Attorney table the reports?

If no -

(6) Why not and will he undertake to do so?

Hon PETER FOSS replied:

(1)-(6) I am astounded by this question.

Hon E.J. Charlton: You should not be.

Hon Max Evans: They are dumb bums.

Hon PETER FOSS: One of the extraordinary things about this place is that most Ministers do not table reports. The primary reason for undertaking these trips is to inform themselves.

Hon Ljiljanna Ravlich: We waited 11 months for the last one.

Hon PETER FOSS: I broke with tradition and tabled a detailed report about that visit, which I earnestly hoped would be read by members. It was a faint hope, because no-one read it until, having said for the umpteenth time -

Several members interjected.

The PRESIDENT: Order! Members will come to order.

Hon Derrick Tomlinson: I read it and gave you 9.5 out of 10.

Hon PETER FOSS: Hon John Cowdell was finally shamed into reading it, and was gracious enough to tell me he thought it was a very good and interesting report.

Hon J.A. Cowdell interjected.

Hon PETER FOSS: I am glad to hear that. However, I am sad to hear -

Hon Tom Stephens: It is *Alice's Adventures in Wonderland.*

Hon PETER FOSS: The leader would not know because I bet he has not read it.

Hon Tom Stephens interjected.

Hon PETER FOSS: Why should I table it again? It is in this House now. The leader should get off his backside - or he can sit there and press the little blue button - and ask an attendant for a copy. Is that too much to ask of members? Members opposite are suggesting that I should have extra copies made at government expense and provide one to the leader personally.

I doubt very much that members are interested, because their response to date has been to carp and criticise. If they are interested they should get a copy and read it. It will do them a darned sight more good than carping. If they want to know, they should indulge in a little exercise; they should press the little blue button and ask for a copy. I suggest that they occupy the rest of today reading it, because it will do them a lot of good.

INDUSTRIAL RELATIONS LEGISLATION AMENDMENT AND REPEAL ACT

Section 13

1766. Hon JOHN HALDEN to the Attorney General representing the Minister for Labour Relations:

(1) Is it correct that section 13 of the Industrial Relations Legislation Amendment and Repeal Act was proclaimed and came into operation on 1 January 1998?

(2) How far has the Industrial Relations Commission complied with section 13(6)?

(3) Will the review required by subsection (6) be completed by 1 July 1998?

(4) If not, can the Minister state how the Industrial Relations Commission intends to deal with the requirements of subsection (6)?

Hon PETER FOSS replied:

I thank the member for some notice of this question. In view of the concerns that have been expressed about ministerial representative capacity, I must point out that I have not had the opportunity to read the answer and check it. If the member would prefer that I do so, I will. However, if he is happy that I read the answer I have here, I will do so.

Hon John Halden: I am more interested in the answer than the Attorney General.

Hon PETER FOSS: The Minister has provided the following response -

(1) Yes.

(2) The commission has complied with all the requirements of section 13(6) to date. A review has been undertaken, although an order varying any award, order or industrial agreement that is contrary to or in conflict with section 49C of the Act is yet to be issued.

(3) The completion of the review process is a matter for the commissioner, who is undertaking the review of awards, orders and industrial agreements.

(4) Not applicable.

HARBOUR CITY CANAL ESTATE, MANDURAH

1767. Hon CHRISTINE SHARP to the Minister representing the Minister for the Environment:

(1) Has the Minister received an application from the proponents of the Harbour City Canal Estate at the Creery wetlands in Mandurah for change to ministerial conditions under section 46 of the Environmental Protection Act?

(2) If yes, has the Minister requested that the Environmental Protection Authority inquire into whether such changes should be approved?

(3) If no, when will the environmental approval for the project lapse?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1) A request has been received from Cedar Woods Properties Ltd for approval of a change to the development plan which would reduce the area of canal and residential development and increase the area ceded to the State for protection of wetland areas. The approval has been requested on the basis that it is a non-substantial change to conditions for this project.

(2) The Environmental Protection Authority has been requested to provide advice on the environmental implications of the proposed change to the project.

(3) The environmental approval for the project is valid for five years ceasing on 21 February 1999. However, the conditions also provided that the proponent may apply for an extension of the time limit.

WORKPLACE AGREEMENTS

Direction to Government Agencies

1768. Hon KIM CHANCE to the Attorney General representing the Minister for Labour Relations:

Some notice of this question has been given.

(1) Has the Government directed agencies, including the Health Department of Western Australia, to offer employment to new employees on the exclusive basis of the employee's signing a workplace agreement?

(2) If so, does the introduction of compulsory workplace agreements conflict with the stated intent of the Workplace Agreements Act 1994 as expressed in the second reading speech, which was that workplace agreements would enhance rather than eliminate choice?

Hon PETER FOSS replied:

(1) Yes.

(2) Strictly speaking this question is seeking an opinion from me. However, having been asked for it, I will provide the answer. No; it is normal for an employer to stipulate the terms and conditions upon which a new employee will be engaged.

MINISTERIAL TRAVEL

Reports by Ministers

1769. Hon TOM STEPHENS to the Acting Leader of the House representing the Premier:

(1) Will the Premier explain why he was not in a position yesterday, despite being given at least five hours' notice, to provide the Government's policy on the production of reports by Ministers on their overseas taxpayer funded travels?

(2) Will the Premier provide this information today?

The PRESIDENT: Is this question on notice?

Hon TOM STEPHENS: No, it is a different question.

Hon E.J. CHARLTON replied:

I thank the member for some notice of this question.

(1) There are times when the Premier is involved in meetings of state and/or debates in the other place and he is not available to answer questions from the Opposition. On such occasions, a request is made that the questions be put on notice and an answer is provided in due course.

(2) In answer to yesterday's questions -

(a) Yes.

(b) Two months.

(b) Ministers are reminded at appropriate intervals of their responsibilities in this regard.

ANTI-CORRUPTION COMMISSION

Complaints Procedure

1770. Hon MURIEL PATTERSON to the Attorney General:

Is the Government prepared to consider establishing an appropriate procedure to consider complaints about the operations of the Anti-Corruption Commission?

Hon PETER FOSS replied:

I am not sure that I am the appropriate Minister to deal with this matter because, strictly speaking, it falls within the Premier's portfolio. Although I have always assisted the Premier on matters to do with the ACC and I know that the Premier's attitude is that he does support such a move, I do not think I can give that answer on his behalf.

E CLASS DRIVER'S LICENCE

1771. Hon BOB THOMAS to the Minister for Transport:

I refer to the Minister's comments about drivers with an E class driver's licence being given the opportunity to obtain an A class licence after a period of time without being required to undergo a driving test to assess their capacity to drive a manual car.

(1) Does the Government intend to change the licensing arrangements to this effect?

(2) If so, what changes are envisaged?

(3) Is the Minister aware that many driving instructors believe that such a change will impact negatively on road safety?

(4) Does the Minister contend that such a change will not risk the lives or the safety of the travelling public?

(5) If so, what is the basis for this belief?

Hon E.J. CHARLTON replied:

(1)-(5) I will need to double check the detail of the basis of the question. Changes are proposed to both the ordinary driver licensing regime and the heavy haulage driver licensing regime, with the implementation of extra categories. It is also proposed, as everyone knows, to make changes to driver training and the allocation and administration of drivers' licences. In the next session of Parliament, a Bill will be introduced to amend the Road Traffic Act to deal specifically with drivers' licences and driver training. I will check out the specifics of this question for the member, and I encourage him to be prepared for the other changes when they come, which I am happy to discuss with him in the meantime.

TRADING HOURS REVIEW PANEL

Membership

1772. Hon CHERYL DAVENPORT to the Minister representing the Minister for Fair Trading:

I refer to the recently established trading hours review panel and ask -

(1) What is the name of the consumer representative on the panel?

(2) Who selected this representative?

(3) What were the selection criteria?

(4) From what organisation does this representative come?

(5) What is the current membership of that organisation?

(6) What, if any, assistance do representatives receive during the time they are members of the review panel?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1) Mrs Glenda Lewis.

(2) Mrs Lewis was nominated by the Consumers Association of Western Australia. Her nomination was accepted by the Minister for Fair Trading.

(3)-(4) There are no requirements under the national competition policy with regard to how advisory panels are established when reviews are to be conducted. However, the Retail Shops Advisory Committee was established under the Retail Trading Hours Act to advise the Government on trading hours matters. In view of this, the associations represented on that committee were asked to nominate members for this panel.

(5) This information would be best obtained by contacting the Consumers Association of WA.

(6) Access to library information at Fair Trading is available to all representatives. In addition, the Ministry of Fair Trading, in recognition of the importance of having consumer input into the national competition reviews, has agreed to provide consumer representatives with access to office space, computer, facsimile and photocopying facilities, and clerical support.

LOTTERIES HOUSE

1773. Hon RAY HALLIGAN to the Minister for Finance:

I believe that Lotteries House in Stirling Street, Perth, may be sold in the immediate future. If this is correct, is it intended to build another lotteries facility of a similar nature near the central business district?

Hon MAX EVANS replied:

As many members would know, Lotteries House in Stirling Street is an old building that was originally used by the Lotteries Commission and was converted to house 30 or 40 organisations. The building has become very substandard and is not very suitable. The commission expects to get about $2.5m from that building and will put about $1.5m into the next building, which will be worth about $4m and will be developed in the near future by the Lotteries Commission for the tenants who are presently in Lotteries House, and further new tenants.

MINISTER FOR FINANCE

Overseas Travel Reports

1774. Hon LJILJANNA RAVLICH to the Minister for Finance:

According to reports of interstate and overseas travel tabled by the Premier in 1997, the Minister has taken three overseas trips.

(1) Did the Minister prepare a report on his trip to South Africa and Zimbabwe in January 1997?

(2) Did the Minister prepare a report on his trip to Munich, Frankfurt, Prague, Budapest and Vienna in June-July 1997?

(3) Did the Minister prepare a report on his trip to Amsterdam, London and Paris in September-October 1997?

(4) Will the Minister table these reports? If he has not prepared these reports, why not?

Hon MAX EVANS replied:

As answered a minute ago on behalf of the Premier, all Ministers prepare diary reports on where they have gone and the costs. With regard to a detailed report from me -

(1)-(4) No.

Hon Ljiljanna Ravlich: Why not?

Hon MAX EVANS: Wait! Do not interrupt, please! I did not take staff with me on those trips. In future, I think I will take two staff with me to write the report when I come back. That will save all the problems!

During my professional life - I think I had a reasonable job in professional life - my colleagues and I used to go away

fairly regularly to upgrade our knowledge and information on our professional work and on our clients, and we kept log sheets and notes on that. I went to the United Kingdom a couple of years ago in 1996 - I think I went after Geoff Gallop had gone on a similar trip - as a Minister invited by the United Kingdom Government for a fortnight. They did not expect us to prepare a written report of what we had done. They regarded it as a way of Ministers improving their knowledge of and experience in their portfolios.

I had the problem when I went away of deciding whether to take staff from Treasury, the Totalisator Agency Board, the Lotteries Commission, the Racing and Gaming Commission or some of the racing codes. I can never work out, unless I do a lottery, who will go with me. None of them want to go with me because I may work them too hard! They have seen my schedule of what I have done before!

Some of the older members will remember that I asked for reports from members who went on trips with the Commonwealth Parliamentary Association. I think I was the first person for many years to ever do a full report when I went to a CPA conference. I believed I should do that to let other members know what went on there. Hon Barry House prepared a good report, and a few other members prepared reports, but most members did not. No member should go to a CPA conference without being obligated to make a report. I will make certain that is obligatory in future. I will also want a full report in future from all members who go on special trips.

The former Government considered whether everyone should do a full report on the expenditure from their imprest account and decided, "No, we will not do that; we may show up some of our friends and our helpers." This Government will require all members to make a full report on every dollar they spend from their imprest account. There is no difference; it is all taxpayers' money. We will do that as well, if that is what members want.

Hon N.D. Griffiths: You are running scared!

Hon MAX EVANS: I am not running scared. I am not scared at all. Some others might be.

The PRESIDENT: Order, Minister!

Hon MAX EVANS: Sorry, Mr President. I need to raise my voice.

The PRESIDENT: Order! I do not want any member to raise his voice. Wait until everyone has stopped interjecting. There is plenty of time. Obviously certain members do not want other members to ask questions.

Hon MAX EVANS: We then need to look at select and standing committees and at expense accounts. Some members know that drinks from the bar, dry cleaning and massages are charged up on those trips. That will come out at the time. That is still taxpayers' money. We will get a report back - they take two or three staff to do the committee report. I will take two or three staff with me next time to do my reports, just to make it easier. Committees have staff to do the reports, and Ministers may do the same thing.

I have my schedule and diary sheets with me. I had suggested that I would dictate verbatim into *Hansard* for two or three hours a full report, which everyone who was not here at the time could read afterwards. However, the Leader of the House said I could not do that.

Hon Kim Chance: Give us an estimate of your massage.

Hon Ljiljanna Ravlich: Where is the report?

The PRESIDENT: Order!

Hon MAX EVANS: I told the member that I have not done it. She should not ask me again. There are two problems when travelling in South Africa. All the papers were handed to the Office of Racing and Gaming because they contained good information, some of which was picked up by the Western Australian Turf Club. Dr Manea was present at the world harness racing conference in Munich, and Wilson Tuckey attended the South African event. The Trotting Association received a report from Dr Manea.

All my papers are at the Office of Racing and Gaming and many of those matters will be followed up by letter to the relevant bodies. How does one write a report about the trip to London? I met with the chief executive officer of the horse racing board, whom I know very well, and the CEO of the tote. We exchanged information on fixed odds betting, which some members will be pleased to know about. I went to the horse racing board's director of racing. How can that be reported? All the information is in the sheets I have supplied in response to Hon Tom Stephens' request. I have made a diary note of all the people I met. It would not be of interest to many members.

Hon Ljiljanna Ravlich: I would love to know.

Hon MAX EVANS: The member can read it in the information I tabled.

Point of Order

Hon NORM KELLY: Does Standing Order No 138 apply to questions without notice, as well as questions on notice?

The PRESIDENT: Yes. I am about to ask the Minister to finish his answer.

Questions without Notice Resumed

Hon MAX EVANS: I have finished.

WELLINGTON LOCATION 1248

1775. Hon J.A. COWDELL to the Acting Leader of the House representing the Minister for Energy:

With regard to the quotation and subsequent approval for an electrical supply for Mr Mumme of Wellington location 1248, and payment made to the State Energy Commission of Western Australia for this service, I ask -

(1) Will the Government ensure that Western Power accepts responsibility and is bound by its quotation to supply power to Wellington location 1248?

(2) What measures will the Government take to ensure that Western Power takes full responsibility for the cost of any upgrade in service?

Hon E.J. CHARLTON replied:

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