

Legislative Council

Thursday, 26 June 2003

THE PRESIDENT (Hon John Cowdell) took the Chair at 10.00 am, and read prayers.

DEPARTMENT OF HOUSING AND WORKS, TENDERING POLICY

Statement by Minister for Housing and Works

HON TOM STEPHENS (Mining and Pastoral - Minister for Housing and Works) [10.03 am]: Members will be aware that I have withdrawn the previously announced policy that dealt transparently with the issue of market dominance in the housing and works portfolio. This was in response to the legal action taken by Homestyle Pty Ltd, one of the BGC Group, against the State Housing Commission and me in relation to the policy that had limited to five the number of Department of Housing and Works contracts valued at between \$1.5 million and \$25 million which could be held by any company at any one time. The policy first came into effect in a way that would have prevented BGC from tendering for a housing commission tender for the construction of 22 homes in Hamilton Hill. Tenders for that job closed at 2.30 pm on Tuesday last, 24 June. The Supreme Court granted an interlocutory injunction prior to that time to preserve Homestyle's interests in relation to the Hamilton Hill tender, until the substantive action relating to the policy is determined. In effect, this put the tender on hold. Furthermore, BGC has made it clear that it would apply for similar injunctions in the future if it was similarly affected in applying to tender for Department of Housing and Works contracts in this value range.

Yesterday in this House, I announced that given the potential of such legal action to disrupt government tendering processes and delay important projects throughout the State, I had withdrawn the policy, as it had become clear that it was too difficult to implement. The policy will now be reviewed and consultations will proceed with industry and the department on how to deal with the issue of market dominance.

Accompanying the writ of summons from Homestyle Pty Ltd were two affidavits: one from Mr Gerry Forde, General Manager of BGC Construction, and one from Mr Len Buckeridge, Chairman of Directors of the BGC Group. These affidavits contained false accusations relating to my conduct, and the conduct of the Director General of the Department of Housing and Works, which I utterly reject. Mr Buckeridge and Mr Forde's affidavits both purport to provide records of separate conversations with Mr Joyce. The affidavits falsely claim that Mr Joyce had said words to the effect that I, as minister, was targeting BGC and was going to make it difficult for it to tender for more work with the Department of Housing and Works.

I completely reject these allegations. Nothing could be further from the truth. The policy initiatives that have been taken by the Government in the area of Department of Housing and Works contracting have at all times been aimed at promoting competition and have been general in their intent and application. My staff and I have stressed in conversations and correspondence with the director general and the department that any policies being applied in the housing and works area - whether to promote skills training, occupational health and safety or market competition - were about the general performance of the industry and not aimed at any company in particular. I have never - never - spoken to the director general in the manner or intent suggested in the affidavits; in fact, I have spoken to him in exactly the opposite terms indicating that while I was minister there would be no discrimination for or against individual companies; instead of informal arrangements between the department and individual contracting companies, there would be clear, transparent and open policy settings and framework.

I specifically informed the director general on several occasions that I did not support the previous informal practices, which I had been led to believe had occurred, whereby the department had private discussions with contractors who were perceived to be getting too much work from the department. I was not happy with this practice and directed that an open and transparent policy be adopted, and this led to the contracts policy which has now been withdrawn. The director general has confirmed this with me today. In a memo to me today, 26 June 2003, entitled "STATEMENT BY GREG JOYCE - DIRECTOR GENERAL, DEPARTMENT OF HOUSING AND WORKS", Mr Greg Joyce states -

- 1 The market share of BGC in respect of public housing contracts has been an ongoing issue for many years. From time to time there has been criticism, primarily by the smaller builders in the same market, to myself as the head of the department and also to the respective Minister for Housing of the day.
- 2 Historically, myself and my officers have dealt with the issue by discussing with Len Buckeridge or his officers the issue and asking his company to modify its market share. Len Buckeridge has always responded positively to these requests.
- 3 The criticism of the smaller builders is that BGC has a thoroughly vertically integrated company and hence a tendering advantage and over time will displace other tenderers resulting in a lack of tenderers and a lack of competition.

- 4 The view of the State Housing Commission (the legal body responsible for the implementation of public housing subject to the control and direction of the Minister for Housing) has always been to have an open tendering system but to closely monitor the tender process to ensure there is always a competitive base.
- 5 BGC has always been an excellent builder, its performance in respect of time, cost and quality has been at an exceptionally high standard. I have no doubt that the keenness of the BGC's tender rates over time has substantially contributed to the well being of public housing over a long time.
- 6 The challenge for the department has always been to get a balance in the tendering process to ensure that the prices remain competitive in the short and long term.
- 7 On 1 July 2001 the Ministry of Housing was amalgamated with the Works function of the Department of Contract and Management Services to form the Department of Housing and Works.
- 8 BGC which historically had not been a large tenderer for public works (although it had won some large contracts from time to time) became very active in the tendering process for public works and won four big contracts in the early part of 2003.
- 9 In respect of both telephone conversations I make the following points:
- Minister Tom Stephens has always held the view that my ongoing discussions with BGC was not the correct way to deal with this issue. His view was that there should be a specific policy that applies to all builders that is open and transparent.
 - Minister Tom Stephens never asked me to discuss any issues with BGC.
 - Minister Tom Stephens never said to me he "is going to make it difficult for BGC Construction to tender for more work" nor has he said he "is looking for ways to get you (BGC) off the tender list."
- 10 It was in this context that I spoke to Len Buckeridge (as I have done on previous occasions) about his market share. I was becoming very concerned about the criticisms that were being raised at my level and also at the Ministerial level and I asked him to consider modifying his tendering rate. Both in respect of Works and Housing.
- 11 In respect of the comments Len Buckeridge has alleged I have made, I make the following points:
- I would have indicated to him that concerns were being raised both at my level and at the Minister's level in respect of his market share.
 - I would have indicated to Len Buckeridge that in my view he was the best company we had on the tender list.
 - I would not have indicated that "Tom Stephens is looking for ways to get you off the tender list."
 - I would not have told Tom Stephens that "if we were forced to use more builders we would have more bankruptcies and more late completions." As this is contrary to the open tender system.
- 12 In respect of the alleged telephone conversation I had with Gerry Forde I would have discussed the matter along similar lines to that of Len Buckeridge. I would not have said "You should be careful of Tom Stephens as he going to make it difficult for BGC Construction to tender for more work" but I would have indicated to Gerry Forde that concerns were being raised at my level and at the Minister's level about the market share of BGC and that he should in consultation with Len Buckeridge reconsider his tendering schedule. I no doubt would have indicated my complete satisfaction with BGC and the way in which it operates.

The advice concludes -

My responsibility as Director General of the Department of Housing and Works is to get the best value for money for the State both in respect of public housing and public works. I must take a long term and a short term view. Ultimately I have always sought a balanced approach, to have a laissez faire system but a system that recognises the expectations of both the big and the small builders in this State.

It is signed Greg Joyce, director general. I will table the director general's comments at the conclusion of my remarks.

I will now complete my ministerial statement. As Minister for Housing and Works I have never attempted to remove any company, including BGC, from a tender list. In the six months since December 2002, following the conversations alleged to have taken place between the director general and Mr Forde and Mr Buckeridge, the Department of Housing and Works has awarded \$38 million worth of contracts to BGC Construction for four works projects and it has tendered for a number of others. I had to sign off on all those tenders, and I did. The company currently holds six contracts

valued at between \$1.5 million and \$25 million, at a total value of \$41 845 430. This represents just over one-quarter of the total value of contracts in this value range awarded by the department this financial year. Furthermore, BGC Construction has in the past year been very successful in securing housing contracts with the Department of Housing and Works. I note that BGC indicates that over the past 10 years it has held more than 100 contracts with the State Government. Between 1 July 2002 and 30 April 2003 BGC was awarded eight contracts valued at more than \$500 000, for a total value of \$8.2 million. These eight projects represent one-third of all residential contracts above \$500 000 awarded by the department in that period and 73 per cent of the metropolitan contracts. Further, BGC's share of the total value of residential contracts was 45 per cent of the total and 81 per cent of the value of metropolitan residential contracts worth more than \$500 000. BGC has been successful in winning further residential contracts since 30 April worth approximately \$2 million. These figures do not demonstrate a Government or a minister supposedly targeting one company; namely, BGC. Indeed, the works policy did not address housing contracts below \$1.5 million.

Members will be interested to know that BGC was exempted from the application of the new policy in relation to two other large contracts for which expressions of interest had already been advertised and was included in tenders relating to those contracts. It is also included in the tendering process for the proposed redevelopment of Geraldton Regional Hospital, a project that fell outside the range of the policy. With regard to the Geraldton hospital project, a false claim was made yesterday wrongly suggesting that I had improperly interfered in the tendering process for this project, and the false suggestion was made that I had sought to increase the number of tenderers on the proposed short list for the project. Again I reject these accusations. The relevant facts are as follows: I never received a written recommendation from the director general of the Department of Housing and Works about the preferred number of tenderers. I had earlier asked, through my office, whether on a large job like this in a regional area all companies that had applied would be short-listed. DHW produces a document entitled "Tendering and Contracting Practices for Works Contracts". Section 1.3.3. of the document relates to tendering for contracts greater than \$25 million in value. The section states in part -

Tenders will be selected, from those that have expressed an interest and responded to all the selection criteria, by a panel of senior DHW officers and, when appropriate, the responsible Consultant and a Client representative. In normal circumstances, this process will result in about three tenderers being selected and invited to submit a tender. Circumstances may dictate that a greater number be invited. However, this will never be less than three and only in unusual circumstances, or where necessary to meet local purchasing obligations, would the number exceed six. It should be noted that it is in the interests of Government not to confine the number of competitive bids too strictly. However, Government is also aware of the costs that tendering for contracts at this level places on the building industry.

The director general received a memo on 21 May 2003 from his director of project services presenting him with three options for the number of companies to be short-listed from the eight submissions that were made. The first option was that five companies should be short-listed in accordance with the recommendation of the selection. The second option was to increase the number of short-listed tenderers to seven, as the sixth and seventh tenderers were just outside the determined cut-off score of six. However, the memo noted that this was one more than the industry desire of six and did not conform to stated guidelines. The third option was to increase the short list to include all eight applicants. This was not supported by the memo as it did not believe the eighth applicant had the experience and resource for this project.

In effect, the second and third option, suggesting seven and eight short-listed companies respectively, were not within the Department of Housing and Works' guidelines as stated above. The director general asked for my views on what would be an appropriate number of short-listed companies for the Geraldton project in view of the memo sent to him from his department. He expressed his preference for open tendering, subject to pre-qualification tests as occurs in the residential construction sector. However, he was also aware of the preference of the non-residential construction sector for short lists according to the department's policy.

After discussions with the director general, I asked whether the department would be comfortable proceeding to six tenderers being short-listed - the maximum number permitted under the department's guidelines - to maximise competition for the contract. The director general indicated that he would be comfortable with that option. Today I am advised that after a meeting on 9 June, which was attended by officers from the department and my ministerial office, the decision was reached by the director general to opt for six companies on the short list. It was noted at that meeting that the sixth tenderer, Broad Construction Services Pty Ltd, had recently become part of a group of companies that included another of the short-listed companies. It was therefore decided, at my insistence, to also insist on a non-collusion clause being entered into by those two companies before allowing them to tender for the project. Again, that was done in the interests of maximising competition for the project.

I was made aware at the meeting to which I just referred that Broad Construction Services was the sixth contractor on the list and that it had either just begun or was soon to begin a major unrelated construction project based in the Geraldton area. To my knowledge this had not been taken into account by the selection panel in its deliberations. As the tender was to include strategies for maximising local content as a key criterion for the project, this reinforced the

view of increasing the number of tenderers from the selection panel's recommendation of five to the maximum of six permitted under the department's tendering and contracting practices publication.

I have had no contact with Broad Construction Services but I presume the changed circumstances of the ownership of the company may well have meant that any historical links with personnel about whom there has been controversy have been terminated. This scant knowledge played absolutely no part in my suggestion to the director general that he should consider approving six tenderers. My interest in this issue was to promote the maximum extent of competition for the Geraldton Regional Hospital construction project - a project that I would hope has the support of all members of this place. I therefore reject utterly any allegation that I acted improperly with regard to this tender. I responded to questions from my director general, who was seeking advice on an issue over which the department was itself divided. In the case of the now withdrawn works contracting policy and the short-listing of companies for the Geraldton Regional Hospital project, I have acted solely for the purpose of promoting competition and value for money in government contracting. There has been no impropriety on my behalf and I completely refute the allegations made yesterday and by BGC officials about my discussions with the director general.

I table an internal memorandum dated 26 June from the Director General of the Department of Housing and Works to me in my capacity as Minister for Housing and Works.

[See paper No 1210.]

Consideration of the statement made an order of the day for the next sitting, on motion by Hon Bruce Donaldson.

MAJOR GENERAL MICHAEL JEFFERY, AC, MC, GOVERNOR GENERAL OF AUSTRALIA

Motion

HON KIM CHANCE (Agricultural - Leader of the House) [10.25 am]: I move without notice -

That this House congratulates and offers its best wishes to Major General Michael Jeffery, AC, MC, a Western Australian and former Governor of Western Australia, on his appointment as Governor General of Australia.

I move this motion to provide the House with the opportunity to express its congratulations to a Western Australian, Major General Michael Jeffery, following the recent announcement by the Prime Minister that the former Governor of Western Australia will be appointed to the post of Governor General effective from 11 August this year.

I have met, as have other members, with the previous Western Australian Governor on a number of occasions. I have a high regard for this courageous and outspoken individual who has risen to the highest post in the country from his origins in Wiluna, Western Australia. It is testimony to Australia's tradition of equality that a person from Wiluna, who, after a lifetime contribution and dedication to the interest of his country, can take up the highest post in the land.

After receiving his secondary education in Perth, Michael Jeffery went to the Royal Military College, Duntroon at the age of 16. Major General Michael Jeffery went on to have an unblemished record of military service to his country. He served with distinction as a company commander in Vietnam where he was decorated with a Military Cross. Notably, in 1975, he was appointed the first commander of Australia's Special Air Service regiment and has held a number of senior appointments in the Australian Army including, but not limited to Deputy Chief of General Staff; Commander of the 1st Brigade, Holsworthy, Sydney; and Brigadier in command of Australia's national counter-terrorist coordination authority from 1981 to 1983. Major General Jeffery was appointed Governor of Western Australia on 1 November 1993 and became a Companion of the Order of Australia in June 1996 for his services to the State.

The Government expects that Major General Michael Jeffery will conduct his service to the Australian people in the same exemplary manner in which he served the people of Western Australian as Governor. On behalf of the Government, I wish him all the best in doing so.

HON NORMAN MOORE (Mining and Pastoral - Leader of the Opposition) [10.28 am]: I join with the Leader of the House in supporting this motion to congratulate Major General Michael Jeffery on his appointment as Governor General of Australia. As the Leader of the House said, it is testimony to what can be achieved in Australia by individuals who have the drive and initiative to achieve.

Having been born at Wiluna, which is in my electorate but more importantly is in Western Australia, and having worked his way through a very successful military career, Major General Michael Jeffery then became the Governor of Western Australia in 1993. His military history is well known and I do not propose to go into that other than to say that he was highly decorated, highly respected, highly regarded and very successful.

When he became Governor in 1993, I was delighted at his appointment and came to know him and his wife, Marlana, quite well as a minister of the Crown during that time. It is fair to say that the way in which he carried out his role as Governor was well accepted and regarded by the Western Australian community. One thing about Governor Jeffery was that he was very keen to spend as much time as he could travelling throughout Western Australia and visiting most centres in the State. I remember on many occasions running into him in some of the tiniest outback communities in the State where he was carrying out his role in a very effective way. He was highly respected throughout the State because of that. In no small part, the role played by his wife, Marlana, was equally important because she is a gracious person

who mixed extremely well with the community. The pair of them often met with people throughout the State and were highly respected by those people.

When Michael Jeffery was Governor of Western Australia, he was also known for making the odd comment or two about various issues affecting the social condition in Australia. I will not go through any of those other than to mention one comment he made, which I thought was quite important, at the opening of the West Australian Newspapers Ltd's new building at Osborne Park. I quote from his speech -

So my plea to you as the primary newspaper in the State, to your Board and to your shareholders, is to take a step back for a while and really think through the huge moral responsibility you have; to encourage, to lift our spirits and to inspire, as well as looking quite properly to your news and business responsibilities. There is no reason why each cannot go hand in hand.

Report the news, but don't make it.

He went on to suggest that the newspaper run a good news story every second day for 30 days to see if it lost any circulation. Regrettably, it did not do that. However, that sort of comment, made in a proper sense on that occasion, is the sort of comment that the then Governor often made and a comment that most people would find very agreeable.

One thing I recall about Major General Michael Jeffery was the discipline he brought to the Executive Council. As a minister, I attended the Executive Council on many occasions. I came to realise that I needed to know exactly what was contained in every minute in detail, because he would want to know and he would not sign anything unless he was absolutely convinced that it must be agreed to.

Mr President, Major General Michael Jeffery will be an excellent Governor General of Australia. The role he played in Western Australia and the way in which he carried out that role was a good apprenticeship - if I can put it in those terms - for his new role as Governor General. I congratulate the Prime Minister on his appointment and I congratulate Michael Jeffery on being appointed. I look forward very much to his being an excellent Governor General of Australia in the years ahead.

Question put and passed.

CITY OF BUNBURY - LOCAL LAW RELATING TO ADVERTISING DEVICES - DISALLOWANCE

Order Discharged

HON RAY HALLIGAN (North Metropolitan) [10.31 am]: I move -

That Order of the Day No 187, City of Bunbury - Local Law Relating to Advertising Devices - Disallowance, be discharged from the Notice Paper.

By way of explanation, I advise the House that the concerns of the Joint Standing Committee on Delegated Legislation have been satisfied.

Question put and passed.

SELECT COMMITTEE ON ADVOCACY FOR CHILDREN (APPOINTMENT OF A COMMISSIONER FOR CHILDREN)

Appointment of Members

On motion by Hon Barbara Scott, resolved -

That Hon Giz Watson, Hon Jon Ford and Hon Barbara Scott be appointed to the select committee to investigate and recommend the appointment of a commissioner for children.

FREEDOM OF INFORMATION AMENDMENT BILL 2003

Introduction and First Reading

Bill introduced, on motion by Hon Jim Scott, and read a first time.

Second Reading

HON JIM SCOTT (South Metropolitan) [10.33 am]: I move -

That the Bill be now read a second time.

The Commission on Government report No 1 of August 1995 states -

The Western Australian *Freedom of Information Act 1992* confers upon persons a legally enforceable right of access to information held by agencies in both State and local government.

...

The right of access to documents is qualified by specific exemptions and the fact that certain agencies are exempt.

This Bill proposes a small amendment that will have a significant affect on the application of the Freedom of Information Act 1992. Clause 5(1)(b) of schedule 1 of the Act provides an exemption when a disclosure could reasonably be expected to reveal the investigation of any contravention or possible contravention of the law in a particular case, whether or not any prosecution or disciplinary proceedings have resulted.

In her annual report of 2000-01, the Information Commissioner stated -

One exemption in particular puts Western Australia out of step with all other FOI jurisdictions throughout the world. The exemption for law enforcement documents is designed to ensure that current and unsolved investigations conducted by law enforcement agencies are not prejudiced by disclosures under FOI.

The approach taken in the WA FOI Act is that the exemption applies to documents that would *reveal* any investigation conducted by any agency involving a contravention or possible contravention of the law. A contravention of the law includes a breach of, or a failure to comply with regulations, as well as local government By-laws, Codes of Ethics and human resource management standards made under the *Public Sector Management Act 1994*.

The documents of law enforcement bodies are adequately protected under FOI legislation both nationally and internationally. However, the existence of the exemption in clause 5(1)(b) in its present form in WA, provides a convenient and ready justification for a myriad of agencies to hide behind a cloak of confidentiality, often without good reason. Based on the complaints made to me, discretionary disclosures . . . of documents relating to investigations made by regulatory agencies are few and far between, even when the documents only relate directly to the applicant and there is no clear or readily apparent prospect of any harm or injury resulting from disclosure.

Clause 5(1)(b) of schedule 1 of the Act continues to prevent the provision of documents and can be instrumental in preventing just resolution of complaints within the public sector. In the 2002 case of Kasprzak and Department of the Premier and Cabinet, the Information Commissioner found that requested documents were exempt under clause 5(1)(b), despite the documents sought directly relating to Mr Kasprzak. The denial of access to documents and the time involved in a change of review officer was instrumental in Mr Kasprzak's being denied an opportunity to pursue a claim for a breach of the Public Sector Management Act 1994. That Act prescribes that claims must be lodged within 15 days after a decision is made or action taken. Without making judgment about the legitimacy of the complaint, it is clear that departments can avoid proper scrutiny and prevent just resolution of complaints by using clause 5(1)(b), either on its own or in combination with other Acts.

It should be noted that it was my intention to deal with this issue by simply deleting clause 5(1)(b), as I was informed that this was the most effective way to deal with the problem. However, the Information Commissioner has indicated that although she would support such an amendment, she would prefer that the Act be amended in line with other jurisdictions, and I have acceded to that position. This has the additional benefit of making the Bill identical in wording to a private member's Bill put forward by the member for Nollamara in 1988 when he was in opposition.

The Information Commissioner in her annual report of 2000-01 notes -

. . . that Bill was defeated along party lines in the Legislative Assembly. I remain hopeful that the enthusiasm for change exhibited then by the Member and his parliamentary colleagues has not been dimmed by the reality of being the Government.

That is also my hope. I note that Hon Peter Foss recently made a public statement in support of such a change and therefore, I am hopeful of support from this Chamber in progressing the Bill. I commend the Bill to the House.

Debate adjourned, pursuant to standing orders.

CONSUMER CREDIT (WESTERN AUSTRALIA) AMENDMENT BILL 2002

Assembly's Message

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

TREASURER'S ADVANCE AUTHORISATION BILL 2003

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Nick Griffiths (Minister for Racing and Gaming), read a first time.

Second Reading

HON NICK GRIFFITHS (East Metropolitan - Minister for Racing and Gaming) [10.40 am]: I move -

That the Bill be now read a second time.

The Treasurer's Advance Authorisation Bill authorises the Treasurer to make certain payments and advances for authorised purposes chargeable to the consolidated fund or the Treasurer's Advance Account within the monetary limit available for the financial year commencing 1 July 2003.

The monetary limit specified within clause 4 of the Bill represents an authorisation for the Treasurer to withdraw up to \$300 million for the financing of payments and advances in the 2003-04 financial year. This amount is unchanged from the previous year. The purpose for which payments and advances may be made from the Treasurer's Advance are set out in clause 5 of the Bill and remains unchanged from those authorised in previous years.

Payments that are made for a new item, or for supplementation of an existing item of expenditure in the consolidated fund, will be charged against the fund and subsequently submitted to Parliament for appropriation. Members are aware that a number of activities, such as works and services, are initially financed by way of a Treasurer's Advance, which is subsequently recouped from the public authority or other entity to or on whose account the advance was made. I commend the Bill to the House.

Debate adjourned, pursuant to standing orders.

ANZAC DAY AMENDMENT BILL 2003

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Nick Griffiths (Minister for Racing and Gaming), read a first time.

Second Reading

HON NICK GRIFFITHS (East Metropolitan - Minister for Racing and Gaming) [10.41 am]: I move -

That the Bill be now read a second time.

The Anzac Day Amendment Bill seeks to remove the legislative restriction of section 4(3) of the Anzac Day Act which prohibits a race meeting being held on a Sunday when Anzac Day falls on that day. Over the years the Anzac Day Trust has received requests from country racing organisations for approval to hold race meetings on a Sunday when Anzac Day falls on that day. However, the trust has been unable to support these requests due to the statutory restriction. In addition, the Bill also repeals section 10(2)(a) relating to occasional liquor licences, which are no longer applicable, and amends section 11(3)(b) to reflect the current name for the Returned and Services League of Australia WA Branch. I commend the Bill to the House.

Debate adjourned, pursuant to standing orders.

CIVIL LIABILITY AMENDMENT BILL 2003

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Nick Griffiths (Minister for Racing and Gaming), read a first time.

Second Reading

HON NICK GRIFFITHS (East Metropolitan - Minister for Racing and Gaming) [10.42 am]: I move -

That the Bill be now read a second time.

This Parliament is well aware of the impact of unaffordable and in some cases unobtainable public liability and professional indemnity insurance on business and on the community. Community organisations and businesses that may never have made a claim in the past are being charged a premium that has factored into it the collapse of Australia's biggest insurer, HIH Insurance; the costs of a fragile global economy; costs of past calamities; instances of high awards and stretched negligence laws by courts; and an assumption that these will continue and possibly increase.

The escalation of insurance premiums and the complete withdrawal of insurance products in many sectors have required the Government to step in and take affirmative action by developing an insurance relief package. However, rather than simply subsidise the cost of the premiums, the response needed is one that goes to the heart of the problem; that is, to the legal framework and community attitudes.

In November last year, the Premier gave a commitment to introduce a second tranche of legislation following consideration of the review of the law of negligence and assessment of additional actuarial reports on the insurance market in order to fully respond to the insurance crisis being experienced by businesses, community groups, volunteers and the end user; namely, the consumer.

This second tranche of legislation follows the proclamation of the Civil Liability Act 2002 on 1 January. These measures, along with other initiatives the Government has already taken, are intended to slow the rate of increase of premiums and make public liability insurance more readily available because of the greater predicability and cost containment in the provisions by allowing for -

a cap on economic loss set to three times the amount of gross average weekly earnings at the date of the damages award;

structured settlement to allow periodic payments to be funded by an annuity or other agreed means;
 restrictions on advertising of personal injury legal services and touting;
 a deductible threshold on general damages; and
 threshold and limits on gratuitous attendant care.

The Civil Liability Act 2002 and the Civil Liability Amendment Bill before the House form part of a broader relief package that the Government gave a commitment to, and on which it delivered. The relief package includes the introduction of a risk management campaign that is being coordinated and implemented by the Department of Sport and Recreation, the Insurance Commission of WA and the Small Business Development Corporation. This includes facilitating insurance pooling with the major success story of the Community-Care Underwriting Agency, which is now offering insurance in Western Australia, and the introduction and proclamation, along with the Civil Liability Act 2002, of the following significant pieces of legislation -

the Volunteers (Protection from Liability) Act 2002, which protects volunteers working for incorporated not-for-profit associations from personal civil liability;
 the Fire and Emergency Services Legislation Amendment Act 2002, which protects volunteer fire units and marine rescue units and their members from civil liability; and
 the Insurance Commission of Western Australia Amendment Act 2002, which allows for the establishment of a community insurance fund, and for the commission to provide to eligible not-for-profit organisations insurance including public, professional and medical treatment liability; workers compensation; property; motor vehicle; and personal accident.

The need to introduce further reforms is fivefold -

- (1) To deliver on the commitment to introduce consistent reforms across jurisdictions.
- (2) To bring clarity, certainty and predicability to the law of negligence.
- (3) To respond to the needs of community groups and business and, in particular, recreational service sector providers.
- (4) To ensure that consumers can continue to access and participate in the services that businesses and community organisations provide by reinvigorating the concept of personal responsibility.
- (5) To reverse the attitude and cultural trend towards a litigious society.

This Bill will address these needs. Most of the provisions in this Bill follow the recommendations of the national review of the law of negligence - commonly referred to as the Ipp report; alternatively, the provisions are consistent with legislation, as agreed by the insurance ministers meeting I attended in November last year, that is based on legislation passed in New South Wales but has been adapted, where appropriate, to suit the needs of Western Australia.

The Bill will expand the scope of the Civil Liability Act 2002 by codifying, and in some cases varying, certain common law rules of negligence in relation to foreseeability, standard of care, causation and remoteness of damage and contributory negligence. Particularly, a risk must now be not insignificant before a court can find a person liable for failing to take precaution against that risk. The Ipp report states -

The phrase 'not insignificant' is intended to indicate a risk that is of a higher probability than is indicated by the phrase 'not far-fetched or fanciful', but not so high as might be indicated by a phrase such as 'a substantial risk'.

The Bill codifies a practice that courts are not able to rely solely on the benefit of hindsight or on evidence of subsequent remedial action by the defendant or that a risk was easily avoidable. This will mean that a business or community organisation should have to insure only against risks that are a real possibility.

The Bill adopts the Ipp recommendation that provides a suitable framework to reduce the element of uncertainty in the law and addresses the perception that courts are too willing to impose liability for consequences that are only remotely connected with the defendant's conduct; that is, the plaintiff will bear the onus of proving, on the balance of probabilities, any fact relevant to the issue of causation. In considering the scope of liability for harm, the courts will be required to consider whether and why responsibility for the harm should be imposed on the negligent party, and whether and why the harm should be left to lie where it fell. Therefore, a court will be able to find negligence even though there is uncertainty as to the single cause of harm. This will especially benefit asbestos victims who find it difficult to identify the single contributor to their illness. As the Ipp report review panel found, bridging the evidentiary gap is considered to be fair and reasonable. The Bill also introduces a legal presumption of contributory negligence in circumstances in which a claimant was intoxicated by alcohol or drugs when injured.

Mental harm is to be clarified as to the certainty of what produced the harm. Those remotely affected with mental harm will no longer be able to claim damages. This will lead to greater certainty and consistency. Direct and immediate family members will of course continue to be able to seek damages for mental harm.

To respond to the needs of community groups and business and, in particular, recreational service sector providers, this Bill introduces two significant provisions. The first that will benefit all businesses and community organisations is the introduction of proportionate liability to replace the concept of joint and several liability. This will apply only to pure economic loss and not to personal injury claims. This means that a defendant, if jointly responsible for economic loss or property damage with some other person or persons, will be liable only to pay compensation to the victim for the amount for which the defendant is responsible. This will be particularly good news for auditors, accountants, engineers and other professionals who struggle to secure affordable professional indemnity insurance due to the unlimited exposure of the current system.

The second significant provision is the introduction of voluntary assumption of risk. The principle behind the voluntary assumption of risk is that participants should assume a degree of risk when engaging in recreational services. Recreational activities are dealt with as a special class of activities because people who participate in these activities do so for self-regarding reasons; that is, relaxation, enjoyment or leisure. Recreational service providers, be they commercial, community based or private, have suffered extensively from skyrocketing premiums, if they have managed to secure insurance at all. Western Australians are active participants in recreational activities and it would be a great disappointment to every family if they were no longer able to access the range of activities that are offered in this State, from swimming at Cottesloe Beach to caving in Margaret River.

To ensure the continuation of recreational services in this State, participants can now assume some risk when voluntarily engaging in an activity. This will work on a two-tiered framework whereby there will be no liability for injuries from obvious risks of dangerous recreational activities, while risk warnings and waivers will be effective in certain circumstances to limit liability for other recreational activities. Service providers will still be required under law to provide safe equipment and will remain liable for any reckless conduct. However, there will be no liability for harm resulting from a recreational activity that was the subject of a risk warning. Risk warnings will not, however, be effective for children under 16 years or to those who, because of a physical or mental disability, lack the capacity to understand the risk warning. A service provider will still be liable for their own negligence if a child or other incompetent person, who most people would agree need and deserve special protection from risks of personal injury or death, suffers harm.

Another area of the Bill relates to the liability of public functions. Public authorities are required to provide a service for the public good, not for commercial gain. However, there is a growing perception that there is a bottomless pot of money from which authorities can deliver services and meet community expectations. This Bill will require courts to take into account the financial and other resources available to the authority, the general responsibilities of the authority and its compliance with general practices and applicable standards. Reflecting recommendation No 39 of the Ipp report, the Bill introduces a policy defence, so that in a claim for damages for harm caused through the fault of a public body or officer arising out of fault in the exercise or non-exercise of a public function, a policy decision cannot be used to support a finding that the defendant was at fault unless the decision was so unreasonable that no reasonable public body or officer in the defendant's position could have made it. This policy defence does not provide the defendant with an immunity against liability, but gives the defendant more flexibility in deciding how to exercise its functions than would the normal definition of negligence.

The next area of reform will have the effect of helping to reverse the attitude and cultural trend towards a litigious society. People are increasingly reluctant to attend to the aid of others in need of emergency assistance for fear of being sued if their best intentions go wrong. This Bill will protect good Samaritans from personal civil liability if they acted in good faith, without recklessness and their judgment was not impaired by being intoxicated by drugs or alcohol. This is compatible with the Volunteers (Protection from Liability) Act, which was proclaimed at the beginning of this year to protect volunteers working for incorporated not-for-profit bodies from civil liability.

This Bill will also remove the fear of being sued if a person apologises or expresses regret for an incident occurring. Often injured people feel compelled to bring a case to court because the defendant failed to simply offer an explanation and an apology for what happened. This Bill proposes that an apology made by or on behalf of a person in connection with an incident is not admissible in any civil proceedings as evidence of the fault or liability of that person in connection with the incident. The Government will move an amendment to these provisions to address a drafting error identified in the other place.

Legislative schemes not affected by the Bill, except in limited respects, are those that relate to third party claims for personal injuries sustained in relation to motor vehicle accidents, workers compensation and criminal injuries compensation. Provision is made for regulations that can add to the classes of damages or to the list of provisions that are excluded from application.

In summary, I am confident that this comprehensive Bill will not only contribute to containing the current insurance crisis, but also help to change social and legal attitudes towards the assumption of a liability for risk. It marks a return of commonsense to the laws of negligence and will preserve Western Australians' access to socially important activities and services by encouraging self-reliance and responsible behaviour by individuals. I commend the Bill to the House.

Debate adjourned, pursuant to standing orders.

STAMP AMENDMENT (BUDGET) BILL 2003*Second Reading*

Resumed from 12 June.

HON ALAN CADBY (North Metropolitan) [10.57 am]: I am sure all members have heard the phrase that the only two certainties in life are death and taxes. If the genesis of that phrase had been during the term of the Gallop Labor Government, it would have been amended to the only certainties being death and rapidly increasing taxes - and maybe broken promises, too. A major electoral promise by Dr Geoff Gallop was that his Government would not increase taxes. A Labor promise is worthless. The truth of my statement is easily proved by looking at the budget, particularly the Stamp Duty (Budget) Bill 2003. This legislation is about substantial tax increases in two areas: first, in stamp duty payable on conveyancing and, secondly, on stamp duty payable on general insurance. The result of the Government's stamp duty is to raise an extra \$109.5 million, with overall tax increases expected to raise \$162 million in extra revenue. This is the second increase in conveyancing tax in two years. In the first year of the Labor Government, it was increased by about eight per cent, and by about 15 per cent in the second year, which is roughly 24 per cent on the base figure of 2001.

Families are struggling to purchase their own home as a result of the increase in house prices, and this difficulty will be compounded by this increase in stamp duty. This will mean that a young couple purchasing a \$208 000 home, which, according to *The West Australian* of 18 June, is now the average price of a home, will have to pay \$7 670 in stamp duty rather than the current \$6 609. That is an increase of \$979, which is \$670 more than the first home owner grant. Therefore, the only beneficiary of the first home owner grant on the purchase of an average-priced home is the State Government. It will take the lot, plus another \$670. Members know that \$208 000 does not buy a luxurious home in Perth; it buys a basic home.

A 24 per cent stamp duty rate increase in two years is bad enough, but when one takes into account the 24.3 per cent increase in home prices in the past two years, or a 16 per cent increase in the past 12 months, it shows how young Western Australians are paying for the excesses and greed of the Gallop Government. I wonder where most of the money will go. It could be on the MacTiernan line, which is a bit like the Siegfried line, which was a folly. Another folly will run down the middle of the freeway.

The Government is advantaged by bracket creep. In other words, as home prices increase, the buyer moves through different domains so that the variable percentage rate, or the stamp duty marginal rate, increases. In this case, it will increase from 3.5 per cent to 4.75 per cent and to 5.9 per cent and, finally, for a home costing over \$500 000, which would not buy much on the ocean strip from Fremantle to Iluka, it will increase to 6.3 per cent. That is why I say this Government is greedy and is deriving revenue from market-fought bracket creep plus its own tax increases.

If home prices were to increase by 16 per cent in the past 12 months, the domains for the various marginal rates should have increased. For example, the zero to \$80 000 range should have been changed to zero to \$93 000; the \$80 000 to \$100 000 range to \$93 000 to \$116 000; the \$100 000 to \$250 000 range to \$116 000 to \$290 000; and the \$250 000 to \$500 000 range to \$290 000 to \$580 000. That would reflect that the Labor Government is benefiting from bracket creep. The Gallop Labor Government often criticises the Howard Government for its bracket creep in taxation, yet it has created the same situation.

I turn now to page 109 of the 2003-04 *Economic and Fiscal Outlook* budget paper. It is sometimes difficult for people to work out how much stamp duty they must pay. A couple came to see me late last week to talk about their financial position and they found it difficult to work out the stamp duty component of a home. When I pointed out how much they would have to pay, they decided to consider purchasing only land on which the conveyancing tax would be somewhat less, and build later. I do not know whether that would be the best strategy, but they are seriously considering that option.

I refer to the table on page 109 of the *Economic and Fiscal Outlook*. If the value of a home is about \$150 000, the purchaser will pay about 3.3 per cent stamp duty; if it is \$200 000, stamp duty will be roughly 3.64 per cent; \$240 000, 3.8 per cent; \$500 000, 4.9 per cent; and \$1 million, 5.6 per cent. People might think that if people can afford to pay \$1 million for a house, they can afford to pay 5.6 per cent stamp duty. Businesses will pay the same amount of stamp duty, so it is also an expensive tax for business. A house worth more than \$5 million incurs stamp duty of roughly 6.2 per cent. As I indicated on Wednesday, 18 June an article in *The West Australian* reads -

The Real Estate Institute of WA said homebuyer confidence in WA was at a 10-year high, with investors fuelling the property market in May. Total spending in property in WA in May was \$1.35 billion.

That amount rolls off the tongue quite easily. It is a shame that most people do not know what \$1.35 billion really means. As I have said before, if we were to count at a rate of one every second, it would take two weeks, without sleep, to count up to one million. The amount of \$1.35 billion is considerably more than a million.

Hon Kim Chance: Yes.

Hon ALAN CADBY: I suggest that if members on Hon Kim Chance's side of the House counted to 1.35 billion, they would get about a quarter of the way through before they fell off the peg. It would take a considerable amount of time,

yet we throw these figures around as though they are meaningless. To most of the population, they are meaningless. If members opposite started counting now, it would no doubt improve the quality of the debate on their side of the House!

What does that \$1.35 billion mean? As I said earlier, the marginal rate varies between three and five per cent. If that total amount of \$1.35 billion attracted stamp duty of 3.5 per cent, that would raise \$47 million for just the month of May. It would amount to 47 fortnights of counting - roughly two years - to count the amount of money the Government would receive just in May. It is a huge amount of money. The article continues -

Property Buyers Bureau general manager David Devenish said that investors were spending almost \$50 million on residential property each week.

The median house price in Perth rose to \$208,200 in May, up \$6000 from March and up almost \$30,000 from a year earlier.

If stamp duty is from 3.5 to 5.5 per cent, based on \$50 million a week, based on four per cent - a fairly indicative figure - the Government would receive \$2 million a week or \$100 million a year from just house conveyancing. That is big bickies.

Hon Paddy Embry: What will it do with the money?

Hon ALAN CADBY: As we know, that money will go into two black holes. One black hole is the health service on the basis that the injection of more funds, without good management, will solve the problem, but of course it will not. The other hole is the MacTiernan rail line to be built down the middle of the Kwinana Freeway. Later this afternoon we will debate the effect of that investment, which will mean less investment for country areas, particularly in roads, health facilities and other utilities in country areas. Like the Siegfried line, the MacTiernan line is an expensive folly for which we will all pay in many years to come.

Page 109 of the budget papers shows conclusively that this greedy Government is the second highest conveyance taxing Government in Australia, beaten only by Victoria. The Government's own table in the budget papers - not my propaganda, that of the Government - shows that Western Australia's stamp duty is 36 per cent higher than that attached to a comparable house price in New South Wales; 35 per cent higher than that in Queensland; and 24 per cent higher than that in Tasmania. That has arisen during the term of a Government that said it would not increase taxes.

I refer to clause 4 on page 3 of the Bill, which indicates the amended figures as fixed amounts and marginal amounts. At the lower end, between zero and \$200 000, the increase is a full 15 per cent but after that the increases are smaller. The fixed rate on a \$500 000 home will increase to 14.58 per cent and the variable rate will increase to 14.5 per cent. Why is the minister hitting the people who buy at the lower end of the housing market with greater increases than people at the upper end of the market?

Hon Nick Griffiths: Are we talking about percentages or amounts of money?

Hon ALAN CADBY: I am referring to the actual increases. Perhaps the Government is looking after its mates. We all know that union members tend to buy homes that cost about \$500 000.

The second increase in stamp duty is on general insurance, which will increase to 10 per cent from eight per cent. I read somewhere that that amounts to an increase of only two per cent; however, it amounts to an increase of 25 per cent in stamp duty.

It is not a small amount. When inflation is approximately three per cent, an increase of 25 per cent is eight times higher than the inflation rate. It is a good job this Bill will not be reviewed by the Joint Standing Committee on Delegated Legislation because Hon Ray Halligan would not allow it based on his view that anything above the inflation rate is unacceptable. What does this increase mean to the average punter? It is not unusual for a family to run two cars, and have building and contents insurance, which means that an increase of 25 per cent will work out to roughly \$40 a year. That does not sound much, but when taken with other increases in the budget and increases in general household expenses, each small increment makes a considerable difference to affordable living. For families struggling on the minimum or average wage, these increases in stamp duty will make a considerable difference. The only saving grace in all of this is that at a time when the Gallop State Government is increasing taxation, the federal coalition Government, through its compassionate endeavours and good management, will reduce personal taxation from 1 July - a reduction that has been criticised by the Labor Party. Obviously the Labor Party would like the coalition federal Government to increase taxation, because that is more in keeping with what the Labor Party does.

The Liberal Party will oppose this Bill. It opposes increasing stamp duty, particularly for young families who are desperately trying to buy their first homes. This increase will make a substantial difference, and many young families will have changed their minds and will have to wait until they save more money, and in the meantime house prices will have increased considerably. This greedy Gallop Government has created the black hole of the southern railway link; the MacTiernan line, like the Siegfried line, will be a monument to the folly of this Labor Government.

HON DEE MARGETTS (Agricultural) [11.11 am]: The Stamp Amendment (Budget) Bill 2003 contains two major revenue increases from the point of view of the Government. Over the past couple of years the Greens (WA) have pointed out their grave concerns about the increasing unfairness that exists in the commonwealth and state revenue

policies for state grants for Western Australia. This does not excuse everything the State does. The Greens are often critical of the Government's spending priorities when they feel they are going in the wrong direction, or the Government is taking from or is paying into the wrong groups. I will refer to a number of those issues in my contribution today. Given the manifest problem in the commonwealth and state funding arrangements concerning the Commonwealth Grants Commission, we understand that the State is left with an ongoing dilemma. If this Government wishes to provide quality health and other community services, it needs the means to increase revenue. Any tax or fee increase is unpopular, and I understand the level of concern that exists within community groups about any increase in the cost of stamp duty. We also understand that interest rates are low at present and are likely to decrease further. In one year a further decrease in interest rates could absorb the increase in stamp duty. This does not make things any better for those people who are suffering from the increase in house prices.

As an aside, for some years I have noted that the changes to domestic house prices, which have tended to increase at a higher level than inflation, have not been solely to do with the domestic market in Australia. For those people who are worried about housing prices, it is not simply about domestic economic policies; it is also about the fact that the Australian domestic real estate regime now forms part of the international market. Australia has very few restrictions on the purchase of domestic real estate. The Foreign Investment Review Board is virtually nonexistent, and has been targeted further through the Australia-United States free trade agreement. Overseas investors face very few restrictions on buying a substantial block of houses in a particular price range as investment properties. Commentators within Australia continue to scratch their heads and say that we should be reaching the peak, but they rarely discuss the fact that the housing market in Australia has not for a long time simply been a domestic market. The market contains a growing percentage of overseas absentee investors.

Hon Norman Moore: Do you have any idea of what percentage are international?

Hon DEE MARGETTS: I do not, but it would be an interesting exercise to ascertain that figure. A person has only to look at the advertisements appearing in the real estate pages of our newspapers to realise how important that market is. Advertisements regularly appear for buyers from South East Asia seeking 300 properties etc. This forms a substantial portion of our real estate market, not just here but in the other States. As investments in other sectors become more difficult, people seek things like real estate, particularly in Australia where real estate is still relatively affordable. On average, house prices have for a long time increased at a much higher level than inflation, and we must look closer at what has happened to the Foreign Investment Review Board and the restrictions on investment from overseas, but that is a different issue.

Hon Paddy Embry: Do you not think it is reasonable that the minimum requirement that people must have for a house nowadays is considerably more than previously?

Hon DEE MARGETTS: I understand that. The debate about why house prices are increasing is much wider than looking at Western Australian or Australian domestic policy. I understand that issue about affordability of housing. We have had discussions with the minister and the Treasury on this issue to clearly indicate that, whilst the Greens (WA) understand the dilemma that continues to exist with the unfair grants arrangement between the State and federal Governments, every dollar is pulled out for things like mineral royalties. For every dollar of mineral royalties, the federal Government reduces the grants by two-thirds. The economy in Western Australia is relatively robust, but it has not attracted the benefits to Western Australia that we would expect it would have. There are also other reasons for that. In the future Western Australia must look for different and more reliable sources of revenue, and from the Greens' perspective that should include a much more serious look at things such as pollution taxes, greenhouse gas taxes and so on.

Hon Norman Moore: Mr Chance's flatulence tax that he talked about yesterday!

Hon DEE MARGETTS: If the real costs of any economic activity end up falling on the wider community, whether for environmental damage or the effects of climate change - these could add up to billions and billions of dollars for the State each year - or our combined obligations to the planet to combat climate change, in the end those costs must be acknowledged in the costs of goods and services that are provided by the companies that create them. My view and the view of the Greens (WA) is that the States need to look at those costs, and if the Commonwealth charges those costs then the States need to be able to share in that in order to fix the problems.

There are also issues not only in not having better and more reliable contributions from industries that create problems for the community that the State Government is often required to fix, such as the quality of water, but also in not having a proper resource rent for vital resources such as water. There is a growing debate about that important matter. I hope that the committee that has been set up in this Parliament will look at things such as why, under stage 2 of the Ord River scheme, it is proposed to give about 670 gigalitres of water to the private proponents for the price of a licence. Even if they had to pay only 1c or 2c a kilolitre, that would be a substantial contribution. It would also be a recognition that water is always precious, and the use and transfer of water always means change to the environment and costs at a later stage. In my view, in the view of the Greens (WA), and in the view of many people in society, it is about not just management fees but acknowledging that water belongs to everyone and that a resource rent for major users of water is a reasonable proposition.

Those are the kinds of things that we would like to have on the agenda. When the wider community ends up having to pay certain costs, that should be acknowledged in the costs that businesses pay. Ironically, the sector that probably contributes most to greenhouse gas emissions and to quality and quantity issues with regard to water and so on is the large corporate sector. However, that sector probably has the means of paying less commonwealth tax because it can afford to pay for the best corporate lawyers and accountants. Therefore, some of the biggest corporations in Australia often pay the least amount of tax to the federal Government. It is interesting that many of the large corporations that are working in Western Australia on major resource development projects are paying the least percentage of corporate tax to contribute at the commonwealth level to things such as state grants, yet ironically those same corporations often receive the most assistance from the taxpayer.

I have mentioned on many occasions what the Greens (WA) consider is serious leakage from our revenue sources. One example of revenue leakage is that on an ongoing basis the State is paying for infrastructure for new resource development projects. That is not just a one-off payment, because, as we know, whenever we have paid for infrastructure we must also assume that there will be debt servicing requirements.

Hon Murray Criddle interjected.

Hon DEE MARGETTS: Over time this State has paid for billions of dollars of infrastructure. Whenever the State pays for infrastructure, we have to assume there will also be debt servicing requirements, as the member would know. There is rarely a return to the State from that infrastructure; the investment is not made to get back a return. The State has spent hundreds of millions of dollars on infrastructure for projects in various parts of the State. Money for infrastructure is still going into the Oakajee project, for what we are not entirely sure. There is also infrastructure on the Burrup and in many other parts of the State, such as for the Australian marine complex. According to our current accrual accounting procedures, on an annual basis there should also be an accounting for debt servicing. This State has 64 or 65 state agreement Acts. Some of those Acts have historically been associated with the provision of gas, water, power or other state services at less than cost price or at a very low price. The closest thing I have been able to find to a public admission about the Kemerton silicon project was a comment by the former member for Collie, Hilda Turnbull, who admitted in the *South Western Times* in about 1990 that the project was receiving electricity at less than 2c a unit. At that stage the average user was paying about 17c a unit, so that project was an ongoing loss maker for Western Power. Historically electricity, gas and water have been provided for particular projects as part of an agreement Act. Royalty holidays, stamp duty holidays, gifts and grants of land or the provision of infrastructure are good explanations of why, although this State has had a relatively robust economy on the surface for a long time, we do not have the best education system and preventive health care system, and why we apparently cannot afford to protect our waterways and to provide the amount of money that is needed to deal with salinity and other major environmental issues. The Greens (WA) believe that Governments at some stage need to do the kinds of audits that are necessary to find out where these leakages of revenue occur. That is a long-term view that Governments need to take. Governments cannot simply continue to add on extra revenue sources unless they are prepared to look at the systemic leakages from the system. Governments often make the assumption that the bigger the industry, and sometimes even the smellier the industry and the more damaging it is to the environment, the more benefit it will bring to the economy. There is an assumption that the figures are checked and that we somehow systematically find out how much government assistance or risk is placed on each project and what the likely return to the state taxpayer will be. However, those assumptions are rarely, if ever, tested. There has been huge resistance, even within this Chamber, to looking at state agreement Acts before they are signed. The reason we have been calling for that kind of accountability is that if we as taxpayers are being asked to sign up to legislation to enforce 63-year agreements with private proponents, we should know whether that is a good use of taxpayers' funds or whether it will be yet another loss of revenue and another hole through which taxpayers' fees and charges will simply flow out without necessarily bringing us a return. People often mention the benefits of royalties to Western Australia. Of course some of those royalties are used to manage the industry from which they have come. However, as the Leader of the House has mentioned on a number of occasions, because the Commonwealth takes those royalties into account in calculating grants payments, Western Australia no longer receives a substantial proportion of the grants payments. The reality is that if the State receives just over \$1 million worth of royalties, only about one-third of that is available to go into general revenue. At the same time, many of the major resource development projects are the very ones that receive the lion's share of government assistance to industry. I think most people would agree that there are reasonable grounds for arguing that Governments should provide assistance to industry. However, most people would also agree that that should be based on a clear and transparent policy so that we all know under what circumstances that assistance is provided. However, that is not the basis upon which those traditional, historical agreements have provided that assistance. It is secret, it is commercial in confidence and it is long-term and binding. The problem is that it leads to a situation whereby, on an ongoing basis, we are under enormous pressure. There is an apparent revenue to this State that now has a skewed economy that is leaking out into servicing and subsidising some of the biggest proponents for some of the biggest resource developments in Western Australia. There must be a review and audit of those arrangements and then, hopefully, we will not be in this Chamber discussing this matter time and again. I warn members that unless Governments are prepared to seriously consider these ongoing leakages, the Greens (WA) will not be prepared to repeatedly support measures that increase revenue because other options must be considered.

I have mentioned before that it is ironic that this kind of assistance to export-based industries is deemed illegal under the World Trade Organisation. If anyone were to take particular proponents of the State Government to task on this, they would probably find the Western Australian Government to be in a considerable amount of difficulty.

It is well overdue for the State to consider its loss of revenue or its leaking revenue. Although the Greens (WA) are prepared to support this measure because we understand that the situation between the State and federal Governments is currently unfair, we would also like the Government to seriously look at plugging the holes in its current revenue structure - the kind of holes that have existed for decades and for which there is no longer any excuse. It cannot be in the public interest for us not to review or audit those arrangements, especially when it is found that proponents have not met their part of the agreement, which is the case in many of these arrangements.

The Greens (WA) understand that all revenue increases are unpopular. Given our understanding of the current arrangement between the State and federal Governments, we believe it is necessary to change the way those arrangements are made and we are prepared to support this increased revenue measure. However, we put the Government on notice that it must seriously consider auditing the current arrangement for some of those revenue losses, such as the one-off infrastructure provision and the debt services requirements, on an ongoing basis. They are the very things that impact on the credit rating over time and that generally end up being ignored in public discussion. The Greens (WA) will support this measure.

HON GEORGE CASH (North Metropolitan) [11.34 am]: Like Hon Alan Cadby, who spoke on behalf of the Liberal Party, I too oppose this increase in stamp duty proposed in this Bill. It could be said that this Bill is brought to us courtesy of the Gallop Government that promised, prior to the last election, that there would be no new tax increases.

A few days ago I was interested to read the June 2003 issue of *WA Property NEWS*. Under the heading, "State Budget Tax Slugs" it states -

The State Government's 2003 budget unveiled four revenue increases affecting WA property owners.

They are:

- ◆ **\$109 million stamp duty increase on conveyancing;**
- ◆ **\$52 million stamp duty increase on insurance;**
- ◆ **\$37 million fire and emergency service cost hike; and**
- ◆ **\$1 million Perth parking bay levy cost hike.**

On page 3 of that publication under the heading, "WA has highest stamp duty rate of any State for commercial property", it states -

The \$109 million stamp duty grab in the State budget has vaulted WA to top spot as the highest stamp duty regime of any State for commercial property owners.

Considerable comment then follows about that particular issue. I am appalled to see the increases in taxes that are occurring under this State Government given the significant increases in revenue as a result of other activities. That can be judged by comparing this year's 2003-04 budget with the pre-election Treasury statements showing that the Government is now earning in excess of a billion dollars a year revenue more than anticipated prior to the last election.

I now address a particular issue of concern. Although I accept that it may not be remedied by changing this Bill because it is a taxing Bill insomuch as it increases the rate of taxes, I note with interest that the Department of Treasury and Finance, Office of State Revenue, recently published a statement that was circulated widely to the conveyancing industry. Under a banner heading, "Important" it states -

The following changes for stamp duty will take effect for instruments executed on or after 1 July 2003.

Lodgement of Instruments

From 1 July 2003, a person who is, or may be liable to pay duty on an instrument must lodge the instrument with the Office of State Revenue within two (2) months after the date on which all the parties have signed the instrument.

Payment of Assessments

From 1 July 2003 stamp duty will be payable within one (1) month after the date of the assessment notice.

Penalties will apply for late lodgement or late payment.

That announcement affects a significant change to the time that is available between when a document is executed and when it is required to be produced at the stamps office for stamping purposes. That significant reduction in the time available will impose a significant burden on a number of sections of the real estate industry, in particular the business broking sector.

Another document put out by the Office of State Revenue confirms the proposals contained in this Bill. Under the title, "Stamp Duty - Budget 2003/04" it states -

The Hon Treasurer recently announced in his Budget Speech that it is proposed to increase the stamp duty rates payable on conveyances and general insurance policies.

The budget announcements will not be law until they are passed by the Parliament and receive Royal Assent.

It is proposed that these changes will be effective from 1 July 2003.

Below is a brief summary of proposed changes to the Stamp Act.

Conveyance Rates

Conveyance rates are to be increased by 15%.

The document then provides a schedule, which is unnecessary for me to read. However, it shows the rates applicable in respect of a given property value, the accumulated duty at the old rate and the new rate, and the effect - the amount per \$100 effect - with regard to the old and the new rate. It continues -

Insurance Duty Rates

The rate of duty for general insurance (including compulsory third party insurance) will increase from 8% of the premium to 10% of the premium.

The rate of general insurance with an undisclosed premium will increase from 8 cents to 10 cents per \$100 of the value of the sum insured.

No increase will occur in respect of life insurance or workers' compensation policies.

Anti-avoidance provisions will apply such that premium payments brought forward to precede the 1 July 2003 increase date will be subject to the higher rate.

Details of these measures will be available when the Bill dealing with these measures is introduced into Parliament.

General

Instruments executed prior to 1 July 2003 but assessed after that date will be charged at the rate that applied at the date of execution, not the rate that applies at the time of assessment.

Collection By Return (CBR) - Clients will have their software updated prior to the introduction of the new rates.

A circular will be issued after the legislation is passed through the Parliament.

New tax calculators will be produced, along with other forms that require amendment as a result of the changes.

The circular is dated May 2003 and signed by the assistant commissioner of revenue services.

I find no fault with the content of that document, which indicates the proposals that are contained in the Bill. As I said, the proposal to reduce the amount of time available between execution and presentation at the stamp office for stamp duty is an impost on business, as is the reduced time in which the stamp duty must be paid.

I refer to three letters which are from some groups that are affected by this measure and which I believe have been sent to all members of Parliament. The first letter from John Garland International dated 12 June 2003 states -

STAMP DUTY ACT AMENDMENT

TIME REQUIREMENT REDUCED FROM POTENTIAL

SIX MONTHS TO THREE MONTHS

The proposed amendment is of major concern to the business sector.

Chamber of Commerce and Industry together with the Small Business Development Corporation are aware of our concern.

Copies of letters to the Premier and the Real Estate Institute will provide a much clearer reason for the amendment to be modified in the interests of the State's economy as far as business and rural transactions are concerned.

It is of interest that "the man in the street" interpretation of the time condition was that the stamp duty payment assessment was from the time of the contract becoming unconditional. The industry professionals know that two signatures on a document provide the legal need for stamp duty assessment.

Recommendation

Our request is that the time reduction content of the amendment be deleted and the three months plus three months condition remain.

Economic negatives are already being registered by purchasers withdrawing or expressing concern over this time restriction.

Yours faithfully

JOHN GARLAND

Another letter, from Goodwin Mitchell O'Hehir, dated 27 May 2003 and addressed to the Premier Dr Geoff Gallop, has been sent to all members of Parliament. Mr President, notwithstanding that all members have a copy of the letter, it will be necessary for me to read it to the House so that members understand the objections being raised by this group. The letter states -

Dear Sir

**Re: ACCELERATED COLLECTION OF
STAMP DUTY ON BUSINESS TRANSACTIONS**

You will be aware that the Department of Treasury and Finance intends to accelerate collection of stamp duty on the sale of businesses from 1st July 2003 by approximately 90 days, as a consequence of the State Budget handed down by yourself last week.

As Western Australia's largest business broking agency, and as an agent who liaises with Western Australia's most regular conveyancers of business settlements, we wish to express our extreme concern at this development.

The accelerated collection of stamp duty on business sales will cause hardship to small business purchasers and major headaches for conveyancers for the following reasons:

- More than 30% of businesses placed "under offer" do not eventually settle
- Their sales collapse during the due diligence period as advisors to the purchasers such as accountants, solicitors, workplace relations consultants, disapprove of the purchase.
- They can also collapse due to:
 - The non-approval of the purchase by the landlord's managing agent,
 - Refusal of finance by the banker
 - Non-approval of the purchaser by franchisor
 - Non-approval by regulatory authorities, for example: such as The Child Care Services Board, The Liquor Licensing Authority or, in the case of travel agencies, The National Travel Compensation Fund.
- Further, many such authorities, franchisors and managing agents require long training periods or long approval processes of the potential purchasers, which causes an elongation of the settlement period.

For example, LotteriesWest now has a nine-week approval period and Australia Post requires three months to vet potential purchasers. These organisations have substantial fees attached the training process causing potential purchasers to have cleared their finance, lease assignment and diligence considerations before commencing the training program. Consequently, settlements of businesses such as the aforementioned can take six months.

The net effect is that compared to the sale of houses and land, the sale of businesses have far longer gestation periods between acceptance of offer and the settlement. The secondary effect is that many of these offers to purchase do not result in a sale.

Despite these factors, the State Government has reduced the period for submission of such offers and acceptance from 90 days (from date of acceptance) to only 60 days (from date of acceptance). In addition, they intend to reduce the time allowed to pay once assessment has been made by The State Revenue Department, from 90 days to pay to only 30 days to pay. Consequently (for example, in the purchase of a child care centre) a transaction which would normally take between 150 and 180 days to be consummated and which has a high chance of "falling over", will require the purchaser to find (for example \$10,000 or \$12,000) after only approximately 100 days of making the offer.

Where will the purchaser find the money? They do not have access to the cash flow of the business, as they have not yet purchased it. They do not have access to loan funds, as the bank has not yet approved their application for finance. This is . . . untenable for a small business person attempting to provide a business income for their family and give valuable employment to up to numerous staffers. It is also an untenable situation for the settlement agent or solicitor who is an unpaid tax collection agent for the State Government on a transaction which may not even take place, and certainly has not done so at the point of payment.

In summary, although we can empathise with State Government's attempting to collect their revenue efficiently, there are adverse implications for the business sales sector, which will cause financial distress to purchasers and may result in behaviour which seeks to avoid the collection of stamp duty.

We are sure this is not the intent of the Government and you would not expect, when a business transaction fails to settle, for small business people to be asking for the Government to refund taxes collected and for the small business person to be waiting for many weeks for their money back on a business they did not purchase.

We submit that business transactions should be exempted from the proposed stamp duty changes and ask that you give urgent consideration to this important issue.

Thanking you in anticipation.

Yours faithfully

GOODWIN MITCHELL O'HEHIR & ASSOCIATES

GRAHAM O'HEHIR

LICENSEE

MANAGING DIRECTOR

I have with me another letter from John Garland that is generally similar in content to the previous letter. The letter very much stresses that the housing industry is not affected by the Bill because the majority of transactions take place between 30 and 90 days. The impact of the proposals in the Bill will, in fact, affect rural transactions, in particular transactions that require the business migration service and the Foreign Investment Review Board to agree to certain conditions. John Garland, as in his earlier letter, seeks to have the matter remedied.

I understand that Michael, Whyte and Co is a firm of solicitors that has a significant practice in the area of stamp duty. That company has provided an e-mail, again which has been sent to all members. The e-mail, in part, states -

Dear Norm & Christine

Thank you for your communication in regard to the proposed amendments to the *Stamp Act* and the revenue collection proposals.

Enclosed is a copy of a circular and letter we have recently sent to our clients in regard to the matter.

As you are aware our client operates extensively in the rural property area and we are concerned at the impact on both changes to revenue collection on our clients.

The timing proposals will impact very adversely on our rural clients.

- Western Australia is a traditional Mediterranean climate. It is a unique climate that significantly affects property sales.
- Many property sales in Western Australia take place in the August to October Spring period with settlements due following the completion of harvest and clearing sales that do not take place until March in the following year.
- There is often a lead time of six months between contract and settlement.
- Pastoral leases are subject to Pastoral Land Board approval for the transfer and this often takes a significant period of time.
- There are often subdivisions of farm properties with the move towards greater farm size and generally take six months to obtain a subdivision approval and finalisation and settlement cannot take place during this period.
- Many farmers have cash flow restrictions between the time of entering into a contract in August or September and the receipt of harvest grain proceeds at the end of the year.
- Many rural people contracting require the loan to be processed and approved to enable the stamp duty to be drawn down due to the increased amounts. Even higher rates are proposed which will make it more difficult for clients to funds stamp duty within three months of entering into of a contract.

We believe the position could easily be resolved by providing that the proposed 30 day time for payment and the 60 day time for lodgment remains but you only have an obligation to proceed with stamping of a contract when it becomes unconditional.

Yours faithfully,

MICHAEL, WHYTE & CO.

Interestingly, the second-last paragraph indicates that some people entering into a contract to buy a business or rural property need to raise a significant amount of stamp duty from their loan. Of course, that is not possible if the sale has

not become unconditional by the time the stamp duty is payable. Hon Alan Cadby raised that point when he explained the effect of borrowing stamp duty. People who borrow stamp duty as part of their loan pay a very significant increased amount over time because of the compound interest that applies.

An information circular sent to clients of Michael, Whyte and Co states -

STAMP DUTY

REDUCTION IN TIME TO STAMP DOCUMENTS

The time allowed to lodge documents for assessment of stamp duty and pay assessments will be reduced from 1 July 2003. These changes, which are detailed below only affect documents executed on or after 1 July 2003.

Lodgment of Documents

As from 1 July 2003, all documents which are liable for stamp duty must be lodged within two months of when the document is executed. A document becomes liable for stamp duty as soon as it is executed by all parties, and therefore must be lodged with the Office of State Revenue within two months of this date.

Failure to lodge the document within two months of its execution will incur a penalty. Even though a document may contain conditions which have not been met, it still must be lodged within two months to avoid a penalty.

Payment of Assessments

For documents executed on or after 1 July 2003, the stamp duty assessment must be paid within one month after the date of its issue. The present three month payment period will still apply to documents executed on or before 30 June 2003 even if these are lodged for assessment after 1 July 2003.

Many types of businesses are likely to be affected by these proposed changes. There is often a long approval process for businesses such as child-care centres and liquor stores, hotels and taverns; and operators of lottery kiosks and newsagencies with lottery facilities and Australia Post businesses must undergo a long training period before receiving approval. Purchasers of seasonal businesses may not be prepared to settle during the wet season, and vendors of farming-related businesses may wish to gain benefit from the harvest revenue, which contributes to the long period between execution and all conditions being met. The settlement of businesses purchased by business migrants is often prolonged because of the time taken by the purchasers to move to Western Australia, as is the settlement of businesses purchased by nominees because of the time taken to finalise syndicate and company structures.

Those are consequences that will occur as a result of the changes to stamp duty being considered by the Parliament. As this is a taxing Bill, it is not convenient for this place to amend it to adjust the periods that will be available for the lodgment and payment of stamp duty; however, I ask the Government to reconsider its position on this matter. The reduced periods will cause hardship within a significant area of business in Western Australia. I give a commitment on behalf of the Leader of the Opposition, Hon Colin Barnett, that if the Government is not able to see its way clear to amend the necessary legislation to make it more reasonable - that is, to return it to the situation that existed prior to the reductions in time periods - the Liberal Party will introduce a private member's Bill to remedy the situation. The matter must be addressed. If the Government does not intend to do so, the Liberal Party will introduce a Bill to give the Parliament the opportunity to make up its mind about the necessary changes.

In closing, this is a case of being squeezed at both ends. People will be squeezed as a result of the very significant increases in taxes contained in this Bill, and they will be additionally squeezed by the significant reduction in time that will apply for the lodgment of executed documents and the payment of stamp duty. We in the Liberal Party think it is untenable, and we will seek to address and redress the situation. I invite the Government to move swiftly to attend to the matter. Like Hon Alan Cadby and on behalf of the Liberal Party, I oppose this Bill, which will significantly increase the rate of stamp duty in Western Australia. That is the opposite of what was promised before the last state election.

HON PADDY EMBRY (South West) [11.57 am]: I had not intended to speak on this Bill; however, it is serious and relates to the core of some of the good things Australia has stood for. The electorate despises political parties that break election promises. These stamp duty increases are an example of a blatantly broken promise. Some political leaders like to differentiate between a hard-core promise and other sorts of promises. As children we were taught that a promise is a promise. The Labor Party made a promise - I call it a hard-core promise - that state taxation rates would not be increased. The increase in the value of real estate has already significantly increased the amount of tax going into the State Government's coffers. If the Government wanted to retain its promise, it should have reduced, not increased, the rate of stamp duty. It has been well documented today that there has been a huge increase in the value of real estate in the metropolitan area. I assure members that house prices in the town of Albany have increased by roughly 20 per cent during the past 12 months. The State also has a relatively low general inflation rate. Therefore, the Government should have looked to reducing, not increasing, taxes.

The Government should be doing its utmost to encourage the private housing market. Private home ownership has been a sacred cow in Australia that has made us the envy of many countries in the world. This stamp duty increase will place

another impost and difficulty on people's efforts to eventually own their own home. Home ownership is advertised in places like Australia House in London to encourage migrants to Australia. It is stated that most Australians own their own home, and we are proud of this fact. In many ways, these tax increases will hit hardest people trying to get into their first home.

What will the Government do with the money? People generally would understand if a tax like this were applied and the revenue went directly into Homeswest to build more houses. It does not. The tax increase will make more people dependent on state housing. As people become less able to provide their own home, they will naturally become more dependent on state provision. The snowball rolls. Taxes must be raised to meet the increased demand for Homeswest houses. It is ridiculous.

The tax increases also impose on business, which is terrible for employment. The State has high rates of unemployment. These ingredients all come together like a cake mixture to make life more difficult for business. If things are more difficult for business, fewer people are employed and more people draw Centrelink payments. This applies in agricultural areas as agriculture has hit hard times, both with commodity prices and climate. In the area in which I live an increase in confidence is occurring, which leads to an increase in the purchase price of agricultural land. Once again, the Government will receive a windfall in this area from these tax increases. Agriculture needs to be encouraged to progress and become more efficient.

All political parties, and particularly the major two parties, must be very aware that when they make election promises, in spite of what the media might tell them, the voting public believes that parties must make a serious attempt to keep those promises. A raft of tax increases are applied across the board. I am horrified by them for the reasons I have outlined, and many more. I do not propose to take up more of the House's time. I have made my thoughts and feelings perfectly clear on this subject.

HON MURRAY CRIDDLE (Agricultural) [12.05 pm]: Briefly, was any investigation done into the impact of the stamp duty rate increases compared with what would have occurred if the present rates had continued? Was an indication sought from people? Prices are rising, and the housing industry is travelling forward very well. How will this tax impost impact on that industry? Will fewer transactions take place in the future as a consequence? Was any analysis done of that issue when the decision was made?

HON NICK GRIFFITHS (East Metropolitan - Minister for Racing and Gaming) [12.06 pm]: In response to Hon Murray Criddle, the effects of the increases on industry was given consideration when the rate increases were proposed. The advice was that it would have no significant affect.

Hon Murray Criddle: Where did you source that from?

Hon NICK GRIFFITHS: The Government has advisers and that factor was given consideration. I will not go into the processes of government. In managing the State, no Government would wish to damage an important industry. I know the member is putting forward a contrary view.

I regret that the Opposition is opposing this measure. Hon Alan Cadby made reference to a greedy Government. The cause of the problem is the greedy Government to which Hon Dee Margetts accurately referred; namely, the one not prepared to give this State a fair go. The Prime Minister talks about taxes and promises and uses the phrase "never ever". I know John Howard is a sacred cow for members opposite, but he is a sacred cow that should consider moving on and giving somebody else a go. His 10 per cent tax impacts on the price of goods and services. Whenever the price rises for the provision of a good or service, John Howard gets a bit more. Similarly, in respect of income tax, he has failed to properly adjust the income tax scales for bracket creep. He has made some minor adjustments recently, but failed to make necessary adjustments. He has had a windfall in revenues. It is true that the federal Government's GST, to which members opposite signed up, flows to the State; however, whenever it flows to the State, the federal Government cuts back another federal grant to the State. The root cause of the problems with the State's finances, which necessitate the unfortunate -

Hon Alan Cadby: You always have to blame somebody else. It's been the history of this Government - it blames everybody except itself.

Hon NICK GRIFFITHS: If Hon Alan Cadby fails to acknowledge the sins of his federal colleagues, so be it.

I found Hon Dee Margetts' observations to be very interesting. I will refer those matters to the Treasurer. Some comments Hon Dee Margetts made about how the State spends its money over time require further reflection. Some good may come of them. In saying that, I am not endorsing any particular point she made; nonetheless, she made some very interesting and pertinent observations on the management of the State's finances.

Hon George Cash referred to an issue that does not come within the strict confines of this Bill. However, I note that it is relevant to matters concerning stamp duty. The Parliament decided several weeks ago to change the arrangements for lodgment and assessment on instruments that are subject to stamp duty. Prior to that change, three months were allowed for lodgment. An assessment was issued and payment was made within three months. However, there was no provision to extend the period. The changes made by Parliament are to the effect that a two-month period is allowed for

lodgment and a one-month period for payment. That was done on the basis that the average settlement period was effectively six weeks. In addition, and importantly, the Commissioner of State Revenue has the capacity to extend the period. That was not previously the case. The commissioner is developing policy. Interest groups that have concerns about the new arrangements should actively consult with the commissioner as is the Real Estate Industry of Western Australia.

I am mindful of the points raised by Hon George Cash in his speech. The matter is being positively pursued by the Government.

Hon Alan Cadby: When will that be in place? This Bill comes into effect on 1 July.

Hon NICK GRIFFITHS: That is right. There is now capacity to extend the settlement period. Requirements among industry groups could vary. Patterns may emerge in certain areas of activity that lead to instruments the subject of stamping to be creative. Those interests can be accommodated within the provisions of the present law. Rather than people jumping up and down saying we will all be ruined, they should work positively with the Commissioner of State Revenue for positive outcomes.

Hon Alan Cadby: Are you saying consideration will be given to that?

Hon NICK GRIFFITHS: Consideration is already being given to REIWA. I understand REIWA is working positively with the commissioner. It is a matter of adopting a policy to accommodate interest groups that think they have particular issues.

I commend the Bill to the House.

Question put and a division taken with the following result -

Ayes (15)

Hon Kim Chance	Hon Adele Farina	Hon Dee Margetts	Hon Ken Travers
Hon Robin Chapple	Hon Jon Ford	Hon Ljiljana Ravlich	Hon Giz Watson
Hon Kate Doust	Hon Graham Giffard	Hon Jim Scott	Hon Ed Dermer (<i>Teller</i>)
Hon Sue Ellery	Hon Nick Griffiths	Hon Christine Sharp	

Noes (14)

Hon Alan Cadby	Hon Peter Foss	Hon Robyn McSweeney	Hon Derrick Tomlinson
Hon George Cash	Hon Ray Halligan	Hon Norman Moore	Hon Bruce Donaldson (<i>Teller</i>)
Hon Murray Criddle	Hon Frank Hough	Hon Barbara Scott	
Hon Paddy Embry	Hon Barry House	Hon Bill Stretch	

Pairs

Hon Louise Pratt	Hon John Fischer
Hon Tom Stephens	Hon Simon O'Brien

Question thus passed.

Bill read a second time.

Committee

The Chairman of Committees (Hon George Cash) in the Chair; Hon Nick Griffiths (Minister for Racing and Gaming), in charge of the Bill.

Hon NICK GRIFFITHS: I seek the leave of the Committee to have the Bill considered as a whole.

Leave granted.

Bill put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Nick Griffiths (Minister for Racing and Gaming), and passed.

SENTENCING LEGISLATION AMENDMENT AND REPEAL BILL 2002

Committee

Resumed from 25 June. The Chairman of Committees (Hon George Cash) in the Chair; Hon Nick Griffiths (Minister for Racing and Gaming) in charge of the Bill.

Clause 6: Part 3A inserted -

Progress was reported after the clause had been partly considered.

Hon NICK GRIFFITHS: I move -

Page 15, lines 2 and 3 - To delete "12 months" and insert instead "2 years".

Amendment put and passed.

Hon NICK GRIFFITHS: I move -

Page 16, line 14 - To insert after "so," the words "or if the offender requests,".

Amendment put and passed.

Hon NICK GRIFFITHS: I seek leave to alter my amendment No 20/6 by adding the words "at a time" after the word "month" in the second last line.

Amendment, by leave, altered.

Hon NICK GRIFFITHS: I move -

Page 16, after line 31 - To insert -

- (3) A court that under subsection (2)(a) may amend a PSO that applies to an offender who is subject to one or more curfew requirements under PSOs or ISOs of 6 months may, despite sections 33H(3) and (5) and 75(3) and (5), amend any curfew requirement in the PSO by extending its term by not more than one month at a time or add a curfew requirement the term of which is not more than one month.

Amendment, as altered, put and passed.

Hon NICK GRIFFITHS: I move -

Page 17, line 18 - To delete the line.

Amendment put and passed.

Hon NICK GRIFFITHS: I move -

Page 18, after line 24 - To insert "(a) if the PSO is in force -".

Amendment put and passed.

Hon NICK GRIFFITHS: I move -

Page 18, line 25 - To delete (a) and insert instead "(i)".

Amendment put and passed.

Hon NICK GRIFFITHS: I move -

Page 18, line 26 - To delete (b) and insert instead "(ii)".

Amendment put and passed.

Hon NICK GRIFFITHS: I move -

Page 18, line 27 - To delete (c) and insert instead "(iii)".

Amendment put and passed.

Hon NICK GRIFFITHS: I move -

Page 18, after line 28 - To insert -

- (b) if the PSO is not in force and the offender has been sentenced for the offence or offences to which the PSO applied, recall the order imposing the sentence and impose a sentence that takes account of -
- (i) the fact that the offender committed an offence while subject to the PSO;
and

- (ii) the extent to which the offender has complied with any orders made under the sentence imposed for the offence or offences to which the PSO applied.

I note committee recommendation nine, which is that where an offender receives a conditional sentence as a result of a pre-sentence order and during the period of the conditional sentence is dealt with in relation to an offence committed during the pre-sentence order, the courts should be empowered to treat it as a breach of the conditional sentence. The intent and objective of that recommendation is supported. However, it is considered that a more appropriate course of action would be to have the offender's sentence recalled and for the court to then impose a new sentence having regard to the fact that the offender has breached the condition of the pre-sentence order. In order to give effect to that, amendment 26/6 and the preceding drafting changes have been proposed. This will give a court the capacity to recall the sentence.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 7 to 15 put and passed.

Clause 16: Section 85 amended -

Hon NICK GRIFFITHS: I move -

Page 24, lines 2 and 3 - To delete "69 or".

Page 24, line 3 - To insert after "70" -

or 71

This clause amends section 85 of the Sentencing Act 1995. Subclause (2) proposes to insert into section 85 of the Sentencing Act 1995 the definition of "parole order" that is contained in the Sentence Administration Bill 2002. However, the definition contains a cross-referencing error to provisions of the Sentence Administration Bill. Instead of referring to sections 69 and 70 it should refer to sections 70 and 71.

Amendments put and passed.

Clause, as amended, put and passed.

Clauses 17 to 19 put and passed.

Clause 20: Sections 93 to 95 replaced -

Hon PETER FOSS: I move -

Page 27, line 9 - To insert after "parole" -

- (a) if the term served is four years or less -

Page 27, line 10 - To insert after "term" -

; or

- (b) if the term served is more than four years - when he or she has served 2 years less than the term.

These amendments arise out of the committee's recommendations. I understand the Government will not be supporting them, but we will nonetheless proceed with them.

Hon NICK GRIFFITHS: I should place on record the Government's reasons for opposing the amendments. The committee in recommendation 16 considered that the proposed transitional provisions were overly complex and recommended that the Government seriously consider altering the amendment to section 93 to substitute a provision that more closely follows the current provision but without the automatic remission of one-third of the parole term that would be removed before passing sentence. The Government believes that a uniform parole eligibility system will be easier for the public to comprehend. However, the Government recognises that the committee's recommendation warrants consideration on the basis that the proposed two-tiered formula is less complex than the current regime; and over time the public may understand its operation. The Government acknowledges the committee's recommendation, and I am authorised to point out that, in the event that the amendments are defeated, the committee's recommendation will be considered as part of the general review of the legislation outlined in the Bill. The Government does not support going down this path at this time.

Amendments put and a division taken with the following result -

Ayes (19)

Hon Alan Cadby	Hon Peter Foss	Hon Dee Margetts	Hon Bill Stretch
Hon George Cash	Hon Ray Halligan	Hon Norman Moore	Hon Derrick Tomlinson
Hon Robin Chapple	Hon Frank Hough	Hon Barbara Scott	Hon Giz Watson
Hon Murray Criddle	Hon Barry House	Hon Jim Scott	Hon Bruce Donaldson (<i>Teller</i>)
Hon Paddy Embry	Hon Robyn McSweeney	Hon Christine Sharp	

Noes (10)

Hon Kim Chance	Hon Adele Farina	Hon Nick Griffiths	Hon Ed Dermer (<i>Teller</i>)
Hon Kate Doust	Hon Jon Ford	Hon Ljiljanna Ravlich	
Hon Sue Ellery	Hon Graham Giffard	Hon Ken Travers	

Pairs

Hon Simon O'Brien	Hon Tom Stephens
Hon John Fischer	Hon Louise Pratt

Amendments thus passed.**Clause, as amended, put and passed.****Clauses 21 to 31 put and passed.****Clause 32: *Sentencing Amendment Act 2000* repealed -**

Hon PETER FOSS: I move -

Page 38, line 15 - To insert after "2000" -
other than Part 2 Division 1

Page 38, line 15 - To insert after "repealed" -

and such provisions as are by this section preserved from repeal shall come into operation on the day
6 months after this Act is assented to

These amendments will retain the first two parts of the sentencing matrix and bring them into operation six months after the Act is assented to.

Amendments put and a division taken with the following result -

Ayes (14)

Hon Alan Cadby	Hon Peter Foss	Hon Robyn McSweeney	Hon Derrick Tomlinson
Hon George Cash	Hon Ray Halligan	Hon Norman Moore	Hon Bruce Donaldson (<i>Teller</i>)
Hon Murray Criddle	Hon Frank Hough	Hon Barbara Scott	
Hon Paddy Embry	Hon Barry House	Hon Bill Stretch	

Noes (15)

Hon Kim Chance	Hon Adele Farina	Hon Dee Margetts	Hon Ken Travers
Hon Robin Chapple	Hon Jon Ford	Hon Ljiljanna Ravlich	Hon Giz Watson
Hon Kate Doust	Hon Graham Giffard	Hon Jim Scott	Hon Ed Dermer (<i>Teller</i>)
Hon Sue Ellery	Hon Nick Griffiths	Hon Christine Sharp	

Pairs

Hon Simon O'Brien	Hon Tom Stephens
Hon John Fischer	Hon Louise Pratt

Amendments thus negated.**Clause put and passed.****Clauses 33 to 50 put and passed.****Clause 51: *The Criminal Code* amended -**

Hon NICK GRIFFITHS: I move -

Page 47, line 16 - To delete "\$6 000" and insert instead "imprisonment for 12 months".

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 52 to 84 put and passed.

Clause 85: *Police Act 1892* amended -

Hon NICK GRIFFITHS: I propose to move en bloc the amendments standing in my name on the supplementary notice paper. I move -

Page 65, after line 3 - To insert -

- (11) Section 59 is amended by deleting "\$300, or may be committed to gaol for any period not exceeding 6 calendar months" and inserting instead -
"\$2 500"

Page 65, lines 4 to 6 - To delete the lines and insert instead -

- (11) Section 64A(1) is amended by deleting paragraphs (c) and (d) and "conviction -" before them and inserting instead -
"conviction to a fine of \$4 000 or imprisonment for 12 months,"

Page 65, after line 10 - To insert -

- (13) Section 66 is amended by deleting "\$1 000" and inserting instead -
"\$4 000"
- (14) Section 67 is amended by deleting "\$1 500" and inserting instead -
"\$6 000"

The amendments seek to amend the statutory penalties in a number of sections of the Police Act as a consequence of the prohibition on sentences of six months or less. For example, the penalty under section 59 of the Police Act, which deals with obscenity and other offences, is a fine not exceeding \$300 or imprisonment for six months. The proposed amendment will impose a maximum fine of \$2 500.

Amendments put and passed.

Clause, as amended, put and passed.

Clauses 86 to 107 put and passed.

Schedule 1-

Hon NICK GRIFFITHS: The Government opposes the proposed amendments. It is a matter for Hon Peter Foss to move them but the Committee has already made a decision.

Hon PETER FOSS: I move -

Page 76, lines 22-26 - To delete the lines.

Page 76, line 29 to page 77, line 2 - To delete the lines and insert instead -

impose a fixed term that is two thirds of the fixed term that it would have imposed had the old provisions been in operation at the time of sentencing.

Page 77, line 5 - To insert after "1995;" -

and

Page 77, lines 10 to 17 - To delete the lines.

These amendments are consequential on an earlier decision of the Committee.

Amendments put and passed.

Schedule, as amended, put and passed.

Schedule 2 put and passed.

Title put and passed.

SENTENCE ADMINISTRATION BILL 2002

Committee

The Chairman of Committees (Hon George Cash) in the Chair; Hon Nick Griffiths (Minister for Racing and Gaming) in charge of the Bill.

Clause 1 put and passed.**Clause 2: Commencement -**

Hon PETER FOSS: I move -

Page 2, line 5 - To insert before "This" -

Subject to subsection (3) and to subsection 2(3) of the *Sentencing Legislation Amendment and Repeal Act 2002*.

Page 2, after line 7 - To insert -

- (3) No part of this Act shall be proclaimed to come into operation within 6 months of Part 5 of the *Sentencing Legislation Amendment and Repeal Act 2002* coming into operation.

These amendments are complementary to the amendments made to the Sentencing Legislation Amendment and Repeal Bill 2002. They will ensure that the provisions relating to the six months minimum sentence will be six months separate from any other provision.

Amendments put and passed.**Clause, as amended, put and passed.****Clause 3 put and passed.****Clause 4: Interpretation and abbreviations -**

Hon NICK GRIFFITHS: It may be more appropriate to postpone consideration of amendment 8/4 until after consideration of amendment 24/4. I seek the Committee's indulgence to take that course.

The CHAIRMAN: If members have no objection to that course of action, we will deal with amendment 24/4 in the first instance.

Hon PETER FOSS: I move -

Page 3, after line 22 - To insert -

"**serious offence**" means an offence of the kind set out in Schedule 2, other than such of those offences as have been prescribed by the regulations as not to be a serious offence.

This is essentially the Government's amendment with a small addition to it. The committee recommended that offences should not be prescribed by regulation, to which the Government partly responded by putting them in a schedule but allowing them to be added to or subtracted from the regulations. I have tried to meet the Government's position as nearly as possible by saying that offences can be subtracted but not added because people will be denied by regulation certain rights to parole which they otherwise would have. The Opposition believes that the right to parole should not be dealt with by regulation; however, it would be acceptable to confer a greater right to parole by regulation.

Hon NICK GRIFFITHS: The Government opposes this amendment. The Government's preferred course is to provide flexibility by regulation.

Debate interrupted, pursuant to standing orders.

[Continued on page 9363.]

Sitting suspended from 1.00 to 2.00 pm

ROAD FUNDING, CONDEMNATION OF GOVERNMENT*Motion*

HON MURRAY CRIDDLE (Agricultural) [2.02 pm]: I move -

That the House condemns the Government over its failure to provide sufficient funding in the 2003-04 state budget to regional, rural and coastal Western Australia. Also, the likely impact of the New MetroRail project on future regional services and job opportunities in a number of crucial areas including roads, agriculture and power.

I will first outline the budget situation that was left to the Government on gaining office, and then extrapolate from that to demonstrate that rural Western Australia has lost funding in the areas of agriculture, roads and power. I may touch on a number of other areas. When the previous Government came to power, the State had a debt of \$8.3 billion. In 2002, at the end of the term of the coalition Government, the debt was down to \$4.491 billion. In 2003 the debt is very close to \$5 billion, and in 2004 it will be \$5.96 billion - a substantial rise. People in business do not mind borrowing money if they can see that that funding will go into projects that will deliver wealth to Western Australia. Over the past two and a half years there has been a diminution in the amount of money being spent on infrastructure, particularly the roads in regional and rural Western Australia. The Department of Agriculture has lost funding, yet funding for the

power system in regional Western Australia is essential. I attended a meeting in Koorda that absolutely astounded me. I went there in the middle of January, when the temperature was about 41 degrees. To my surprise, over 250 people turned up, at what would usually be a holiday time for people in that part of the world, to express their grief at the power situation in the agricultural region of Western Australia. I will outline some of the messages the regulator, Doug Ayre, and I received there. Even the Western Power people there were very surprised to hear them. I chaired the meeting, and did not lead it in any way at all. At least 30 people spoke at the meeting and expressed very clearly what needs to be done to improve the infrastructure in Western Australia.

This Government came into power with pre-election financial projections of \$10.143 billion in 2001-02, \$10.24 billion in 2002-03 and \$10.483 billion in 2003-04. The actual budget figures for 2001-02 were \$11.035 billion, for 2002-03, \$11.527 billion and for 2003-04, \$11.774 billion. That is a total \$3.455 billion in excess of what was projected in those pre-election financial statements, so this State has raised adequate funding to put into areas such as roads, power and agriculture. Even last year - a bad year - agriculture generated \$3.8 billion of income for the State. In a good year around \$5 billion could be generated. I heard the Treasurer say yesterday that agriculture and quarrying - I think he means mining and petroleum - will not be the lead fundraisers in this State into the future. However, they will have a very big impact over a long period into the future before the other areas take over, if they ever do. The Government must understand that country areas need to be looked after very well.

I will discuss the impact of the New MetroRail infrastructure from the point of view of the financial commitment it will need and the debt it is likely to raise in the future. A round-up of my 10 years in Parliament was done by one of the journalists in Geraldton. The minister got hold of it. One of the issues raised was my view that the previous Government had put in place plans for the development and deepening of the Geraldton port. The minister said that the deepening of the port project that is now close to completion was an initiative of the Gallop Government. I can assure members that in my term in government we okayed the survey that enabled future decisions to be made about the port.

Hon Nick Griffiths: You did not make the decision because Hon Colin Barnett was opposed to it.

Hon Ken Travers: He wanted Oakajee, did he not?

Hon MURRAY CRIDDLE: I am pointing out to the minister that the previous Government had plans in place, yet this article says that plans were not in place. I can assure the minister that the plans were in place. The article also says that I said that the sale of Westrail freight paid off quite a bit of the debt, while the minister said that there was still a debt of \$116 million. There was a debt, but we wiped \$585 million off it. This is a substantial reduction in the debt. I will give the current minister's figures for spending on the New MetroRail project, which will be by borrowings. The borrowings will be \$137 million in 2003-04, \$351 million in 2004-05, \$325 million in 2005-06 and \$182 million in 2006-07. Interest of \$60 million will be paid every year for many years into the future. On top of that will be a community service obligation of approximately \$40 million a year. These are not my figures; they are the minister's. It is an ongoing commitment by this Government of \$100 million a year. With the sale of Westrail freight, \$500 million has been removed from that debt. Statements from the minister indicate the problems the State has with the financial arrangements. This State will wear the huge debt well into the future. As we know, \$300 million was set aside by the previous Government for its commitment to rail.

The route down the freeway of the south metropolitan railway still has many hooks left in it. There is a risk factor in the section of line from the Narrows Bridge to the central business district. An allowance of \$15 million has been provided. In letting the contract, I hope the minister is well and truly aware of the variance that is likely to occur if the surveys are not correct and in place. If the Government does not know what is underneath William Street and the river foreshore before it proceeds, there may be resulting claims. It is a difficult area. The Government should know exactly what the problems might be before it signs any contract with the people doing the work. It might lead to substantial claims in future if the risks have not been dealt with correctly. The minister talked about a shared risk factor. That is interesting in itself because if the risk is shared the cost will go up substantially.

There are questions affecting the bridges. During the Estimates Committee hearings I asked a question about the 54 buses needed each day to service the passengers travelling from south of Canning Bridge and Murdoch. A government officer admitted that commuters will not transfer from a bus to a train. They will stay on a bus. The buses will mix with general traffic, as will the taxi fleet. It will lead to further congestion. As soon as construction of the rail line commences, there will be huge congestion. The Government will not pick up additional passengers between Glen Iris and Perth on the new railway. Goodness knows what will happen. Another passenger station will be built in South Perth, which will involve another 17 buses each day. Hon Jim Scott has been promised the additional station in South Perth. What will those commuters do? Will they change modes between South Perth and the middle of the city? A new station will cost \$10 million. It is just a pay-off to the Greens (WA) for their assistance in getting the legislation through the Parliament.

It is an ill-thought out decision to put the route down the middle of the freeway. What is the justification? I have not seen any over and above saving 12 minutes on a rail journey. I hear scoffing from the other side of the House. The route through Kenwick would attract more passengers and service more people. It covers areas in which people work and commute. There are real issues surrounding the route down the middle of the freeway to Perth.

Hon Ken Travers: When you were the minister did you consider the freeway route?

Hon MURRAY CRIDDLE: It was looked at briefly, but not during my term. It was before I was in government.

Hon Norman Moore: And rightly rejected!

Hon Ken Travers: You rejected it because you could not work out how to do it!

Hon MURRAY CRIDDLE: This Government has not worked out how to do it. It is all very well for the Government to say it will do it. Will it be done at extraordinary expense to Western Australia? We must ensure that decisions are made to justify the expenditure.

The Government has cut an enormous amount of funding to regional and rural Western Australia. The Department of Agriculture and agricultural research are absolutely essential to Western Australia's wellbeing. The previous Government can take credit for some of the best breeding programs initiated by the Department of Agriculture for many years. It has seen state production grow, develop and prosper to the advantage of people in regional Western Australia. The agriculture industry earned \$3.8 billion last year. In other years the figure was even greater. Since 2001, when the coalition Government lost office, the Department of Agriculture has had its budget cut from \$73 million to \$68.04 million. That is a substantial cut. In cash terms that represents \$5 million. In real terms it is almost \$13 million. Departmental officers in regional facilities are wondering what they will do in the future. The work force of the department has been cut from 1 704 in 2000-01 to 1 553. The coming budget will see another 27 positions cut. That represents a total loss of 178 positions. The people involved were putting together research and development programs in regional Western Australia that were of great assistance to agricultural production over many years. The rationalisation of the department under this Government has undermined the confidence of people in the department. Several centres and offices are difficult to access. Many are not in logical locations. The wool desk has been moved from Fremantle to South Perth. Everyone knows that all the sale action occurs in Fremantle. The district offices of Pinjarra and Harvey have been consolidated in Waroona. The Busselton district office has been consolidated with the Vasse research station. Some activities have been transferred to other government departments such as the Department of Conservation and Land Management, the Environmental Protection Authority and the Water and Rivers Commission.

The Agriculture Protection Board has also suffered major cuts in real terms. The APB has lost \$4 million. We all realise the absolute necessity of agricultural protection. We are all aware of the dangers of pests and diseases. Johne's disease is something we all want kept out of the State. A report on the dog problem in the north east of the State has just been released. I note that an article in the latest *Farm Weekly* indicates that Laverton Shire Councillor Patrick Hill said that the minister was in the Laverton area and that the Agriculture Protection Board consultation period would run for another couple of months before a final comment would be made. The article also indicates that prior to the report being prepared, Mr Chance told pastoralists that if 10 times more money was needed for the project, he would consider it. I will be very interested to see how the minister carries out that promise if extra funding is required for the dog problem. It is a substantial problem in the area. I met with the author of the report on the dog problem on Tuesday, who told me that some refocusing needed to be done. I will be very interested to see whether that refocusing is carried out and whether the extra funding required is found.

Hon Robyn McSweeney interjected.

Hon MURRAY CRIDDLE: No. A report has been released and it will be a couple of months before any further comment is made. When that comment is made, no doubt the APB will make a decision on the recommendations in that report. Obviously, I will be very keen to see the outcome.

I now turn to the issue of roads and local government road funding, which has been cut severely. When the budget was announced, \$14.6 million had been cut from the regional road group program. In fact, \$22.3 million in local road funding has been cut. That will have some major ramifications for local governments across the State. I conducted a survey of the 65 shires that immediately fall within my area of responsibility. I have received feedback from 15 or 16 shires to date and the story is the same across the board. There will be major cuts in their labour, and there will be an enormous impact on local contractors. Once those sorts of areas suffer impacts, other people throughout the system also suffer impacts. It has an impact on housing and schools. Major impacts are felt across the State and it leads to a lack of confidence. This has happened through the Main Roads program. This year's budget lists 110 projects in the Main Roads program, of which 65 are without funding, and 56 of those unfunded projects are in the country.

Hon Simon O'Brien interjected.

Hon MURRAY CRIDDLE: I know that the impending decision is that there will be another cut to the regional roads program next year. The continued pillaging of the system is too great for the people in the country to endure. We are back to \$77.7 million from \$100 million in last year's budget. The previous Premier Richard Court and I signed a contract that gave local governments about \$92 million a year. That money was a surety. They had to prepare four-year strategic plans and present those plans under the Local Government Act. They do not have any surety now to go ahead with their plans.

A provision was also in place, which this Government negotiated, that local governments would be warned if changes were to be made. There has been no warning. They did not know what would happen until the budget came down. How on earth can people be expected to make decisions about four-year plans when the budget comes down in May, they have a strategic plan in place and the budgeting is all over the shop? There has been some suggestion that the federal Government's funding would to some extent compensate for that. The federal Government's roads to recovery program was put in place as an extra funding mechanism to bring up to standard the 175 000 kilometres of road in Western Australia that it is absolutely essential to maintain. We are rapidly losing our maintenance capacity for the roads in Western Australia; they are ageing dramatically. All the money that was raised through the road users of Western Australia, including the billion-dollar Transform WA program and the fuel levies, which, I was told by Treasury the other day, the federal Government still collects, is returned as a total grant. The only funds that are assured now are those raised through the Main Roads Act, which are the funds from vehicle registrations. The Government still has the capacity to reduce funding quite substantially over time.

Hon Barbara Scott interjected.

Hon MURRAY CRIDDLE: I do not think it is too worried about roads. According to the budget figures for 2003-04, road funding will decrease from \$773 million to \$669 million in 2006-07. The figures indicate that the capital user charges will increase from \$12 million to \$62 million. None of that money will be spent on roads. Grants funding decreases from nearly \$60 million to \$40 million. That money will not be spent on roads either. In fact, the amount of money allocated for supplies and services decreases from \$403 million to \$250 million. According to these figures, which this Government puts out as its forward estimates, that money will not be spent on roads. There is a definite diminishing in the amount of money that will be spent on roads. If that continues, not even maintenance on our roads will be carried out, let alone any of the infrastructure projects that I said had not been funded in the budget.

Hon Barry House will speak later on this motion, because there are some major roads in his area that will not get any attention. I am sure Hon Robyn McSweeney and Hon Bill Stretch know well roads such as Muirs Highway in that area. However, there is also a huge requirement near Hyden and Corrigin. Hon Nick Griffiths will tell us that we should have built the coast road and its spin-off. Maybe we should have built every road in Western Australia! We had a fair go at it. The previous Government allocated \$850 million to the roads program in its last budget. We promised to spend on roads the money raised from the fuel franchise levies and vehicle registration charges, and that is where it was spent.

Several members interjected.

Hon MURRAY CRIDDLE: There is a black line. The thing about putting a road in place is that it is an automatic generator of wealth for the State. Everyone claims that I built a road not far from me for my benefit, but it runs from Northampton up the coast to Kalbarri. I live about 100 kilometres away, but that was beside the point at the time. When that road was first built, about 140 vehicles a day travelled on it. Now about 500 vehicles travel on it. Kalbarri is a really active little village at present. I am very concerned about road funding. I am concerned about the jobs that have been lost because of the cuts to the regional roads program in direct grants to local government. I know from my survey that there has been a huge backlash about that. People are not very happy with the cuts in funding.

I will now touch on the power issue in Western Australia. A meeting was held in Koorda. To my absolute amazement so many people turned up that it surprised everybody. At the meeting a number of grave issues were expressed. It was pointed out that people in those areas had lost power for up to 80 hours at times. There had also been incidents in which the power started fires in paddocks. The problems affect the whole area. Information was obtained from 44 shires in an area of the State that generates wealth of something like \$2.7 billion. The minister denied there was any problem and did not come to the meeting. I understand that sometimes ministers cannot come to meetings. Western Power people were there and the regulator, Doug Ayre, who immediately recognised there was a major problem. The minister injected \$1.2 million over three years to help that work. That is a pittance. Those people were talking more of \$40 million being required.

Western Power is required to meet certain reliability standards for every Western Australian no matter where they live. Those standards are set out in the Electricity (Supply Standards and System Safety) Regulations 2001, which interestingly came into operation in January 2002. A table on page 11 of the safety directorate's handbook sets out tolerance limits for the disruption of power supply to Western Australian consumers based on where they live. In the Perth central business district there is to be no more than one disruption per year with an average duration of 30 minutes. In the Perth metropolitan area other than the CBD, there are to be no more than three disruptions per year with an average duration of 45 minutes. In rural and country areas, other than those supplied by an isolated network, there are to be no more than four disruptions per year with an average duration of 60 minutes. When people in the room heard that, they laughed. Isolated networks are to have no more than five disruptions per year with an average duration of 30 minutes. In places like the north central wheatbelt district, safe and reliable power is needed for pumping water, refrigeration and the like - absolutely essential things. We cannot afford the disruptions that have occurred in those areas. Staff have also been cut back in many country areas. In Koorda, staff have been cut back from 14 to five people, which does not allow people to service the area, so people must travel from too far away. There is talk of people having to travel from places like Northam, which is just not good enough.

The State has a fundamental obligation to fix this problem. Something like \$200 million is paid in dividends to the State. The State recently required an additional \$20 million to help prop up its finances. There is no doubt at all that some of that funding will be required to be reinjected. The State would need a strong commitment to upgrade services on the network before any consideration of disaggregation could be allowed. People in the bush sent something like 340 genuine reports to the regulator. They see it as absolutely necessary that they be dealt with. The opportunity to send in such reports will be closed on 30 June. Western Power will then need to respond to those reports of problems and make recommendations for action. I am sure that more funding for regional and rural areas will be required.

I have clearly outlined the fact that the agricultural budget has been cut dramatically by something like \$12 million this year in real terms. In cash terms it is something like \$5 million, but if the figures are extrapolated and compared with the consumer price index, we will get some indication of what the cut is. Road funding has been decimated. We do not need any further evidence to know that road programs in the country have been severely diminished. Power supplies are not up to scratch. People need far better and more reliable power supplies for work and communications.

There are many other issues in regional and rural Western Australia. Infrastructure needs to be put in place for development. If we invest in the areas of the State that generate the wealth, we do not have to raise taxes and the like because taxes naturally come back from people who create wealth. I believe that we have lost the whole idea of business initiatives. Although I have no problem, and I am sure that most businesses would have no problem with borrowing when interest rates are down, which is the case at the present time, we must give people who generate wealth the opportunity to have a reasonable standard of living with good roads, good services and good health facilities.

When I was a minister and there was heavy rain in the north, there was talk about getting people to hospital. A country person said that there was no point in talking about a hospital or a school unless he could get in a car to drive there and that it would be an absolute waste of time without good roads. The Government needs to upgrade its priorities in those areas. The State needs to conduct the necessary research on agriculture in order to maintain its level of prominence in the export markets of the world. Certainly Australia is recognised as one of the best export countries in the world because of its clean, green image. That will continue provided the research is available for it to carry on into the future.

My concern is with funding for the country. Young people see living in the city as much more attractive, but if the country had the facilities and services and young people had some opportunities in the country, I am sure that regional and rural Western Australia would go from strength to strength, because there lies the opportunity for the creation of wealth for the nation.

HON BARRY HOUSE (South West) [2.38 pm]: I support the motion moved by Hon Murray Criddle. I will concentrate on making some specific remarks on one aspect of the motion, which is road funding for regional and rural Western Australia and, more specifically, for regional south west Western Australia. I touched on this in my budget speech yesterday; it seems that the budget documents this year showed that \$200 million has been cut from road programs over the period 2003-04 to 2006-07. A closer look at the *Budget Statements* shows that in regional Western Australia, 70 roads are listed as having works in progress in the Main Roads budget, of which 45 have no budget at all and are not funded until about 2007. That borders on straight-out deception. In the budget documents at pages 775, 776 and 777 under the Main Roads works in progress section, a closer analysis of the statements reveals the situation I am talking about. The Government has performed a smoke and mirrors trick. It looks as if the Government is doing a vast amount of work across Western Australia when in fact it is not; it is doing very little. In some cases, it is a straight-out myth that it is doing any work at all, because it is not.

I want to refer to some of the roads in the south west region which seem to have borne the rather disproportionate brunt of these road funding cuts. Let us take Albany Highway. The construction and sealing of the Albany ring road is one project, the total estimated cost for which is \$7.8 million in round figures. Expenditure on that project up to 30 June this year is estimated to be \$433 000, so it has barely started. The estimated expenditure for the past 12 months is \$50 000 and for the forthcoming year is \$75 000. Barely a dent has been made in that project.

I refer to other aspects of Albany Highway. The Jingalup to Tambellup western section of the highway involves a project worth \$5.6 million. Only \$222 000 has been spent on this project to date and there is nothing in the forward estimates for the extension of those works. Passing lanes are to be constructed along the Kojonup to Albany section of the highway. This is the only part of the project that seems to have been done. From the total project cost of \$6.8 million, \$6.6 million will have been spent up to June this year. The balance of the project will be constructed this year. That project is virtually at an end. Works from the Oats Street to Leach Highway section of the highway in the metropolitan area are also not funded. Out of the total project cost of \$16.7 million, only \$3.5 million will have been spent up to the end of June, with no further funding into the foreseeable future. The only part of Albany Highway on which money has been spent is a metropolitan section - the Gosnells townsite revitalisation project.

Hon Bill Stretch: What a surprise.

Hon BARRY HOUSE: Yes, is it not surprising?

Hon Nick Griffiths: Is the Liberal Party opposed to that?

Hon BARRY HOUSE: The Liberal Party is not opposed to that; it just wants a fair deal.

Hon Nick Griffiths: You don't think that money should be spent in Gosnells?

Hon BARRY HOUSE: The Government seems to struggle to see past the metropolitan boundaries in Western Australia.

Hon Ken Travers: That is complete nonsense.

Hon BARRY HOUSE: I am providing some facts and figures to back up what I am saying. Government members should tell me how the Government is giving the State a fair deal. They cannot. This section of Albany Highway in the metropolitan area involves a project worth \$5 million, of which \$3.5 million has been spent. The balance has been budgeted for and will be expended. I will go through quite a few of these projects, so I ask members to bear with me. Government members come into this Chamber and use all sorts of generalisations -

Hon Nick Griffiths: Which is what you are doing.

Hon BARRY HOUSE: No, I am not. I am referring to specific roads and projects that serve communities and real people. That is the difference. The minister comes into this Chamber and refers to hundreds of millions of dollars and makes generalisations, which mean very little until where the money is or is not going is analysed. That is what I am doing. Various improvements are to be made to the Albany to Lake Grace road in the Gnowangerup and Kent shires. The total estimated cost of the project is \$8.3 million, of which \$2.5 million has been spent.

Hon Paddy Embry: There are no overtaking lanes on that road.

Hon BARRY HOUSE: Hon Paddy Embry knows that road better than I do. It is another country area that is getting absolutely nothing. I received a letter from the Gnowangerup Shire, which is not in my electorate. I dare say it contacted other members as well. The letter stresses the severe difficulties created for that shire by the lack of road funding. The Blackwood River section of Brockman Road is to be widened, reconstructed and sealed. That project is estimated to cost \$9.018 million, and \$10 000 will have been spent on it to the end of June this year. There is no sign of funding on the horizon for that road.

A second laneway will be constructed along Bussell Highway between Busselton and Caves Road at a total project cost of \$9.3 million. An amount of \$1.5 million has been spent on that project so far. Absolutely nothing has been funded for that project into the foreseeable future. I have mentioned the Vasse to Margaret River section of Bussell Highway many times in this House. This section of road is coming under increasing and enormous pressure. The road will be widened, primersealed and sealed. A quite extensive project is envisaged, at a total cost of \$17.6 million. To the end of June, \$664 000 will have been spent. It is estimated that \$200 000 will have been spent on that project this financial year, and that \$320 000 will be spent in the coming year. That project actually receives some funding, which is better than nothing. I mentioned yesterday that money would be spent on three sections of that road. I have discussed those works with the engineers. Money will be spent to straighten the section of road around Carburnup, on a section around the Fonti Farm-Harmans Mill Road area in which passing lanes are badly needed, and on a section where the Gracetown road peels off from Bussell Highway, an area that has quite a serious accident statistic rate. As I mentioned, other parts of that road are receiving no attention. The situation is becoming more critical by the day. The Government wants the road to physically fall to bits before something is done. This is a major highway. We are not talking about a country back lane. Construction and sealing works will be done on Caves Road from the Busselton bypass to Dunsborough at a total project cost of \$22.4 million. An amount of \$193 000 has been spent over the years on planning and the identification of routes. That project has gone very quiet; it has disappeared off the radar screen in recent years. No commitment has been made for that section of road.

Works to the Kwinana Freeway affect the south west region directly. Although not in the South West electorate, the section of the freeway from Safety Bay Road to Fremantle Road in Mandurah services that electorate and is vitally important to not only commerce but also the tourist industry in that part of the world. Construction and sealing works have been programmed for the freeway. It is a major project worth \$166.7 million. Only \$1.7 million has been spent so far, with no funding whatsoever designated for the foreseeable future. That is part of what was once called the Serpentine deviation. That terminology has disappeared from the Government's vocabulary, and so has the funding.

Mowen Road connects Bussell Highway with Sues Road and heads across to Nannup; it is a vital east-west link. Many roads in the south west have pretty good connections on a north-south basis, but the east-west links are not good enough, quite frankly. Mowen Road will become a major east-west link for part of the south west. The other major east-west link I will talk about later is Muirs Highway, which needs attention.

Hon Paddy Embry: It is hardly a highway, is it? It is a highway in name only.

Hon BARRY HOUSE: I am coming to that. The vocabulary used in the budget documents is interesting. It refers to it as Muirs Road.

Hon Paddy Embry: That would be nearer the mark. It is a track.

Hon BARRY HOUSE: The project for Mowen Road from Rosa Brook Road to Nannup involves construction and sealing works at a total project cost of \$14.1 million. An amount of \$2.01 million will have been spent to the end of

June. Ongoing work is being done on that road. Main Roads Western Australia is contracting that work to the Augusta-Margaret River Shire Council. Last year \$400 000 was spent on that project, and \$910 000 has been allocated for next year. I give credit to Hon Eric Charlton, because he entered into the deal with the Augusta-Margaret River Shire to at least get something happening on that road. It has been frustrating, because funds have been drip fed. Hon Murray Criddle: I did that.

Hon BARRY HOUSE: My apologies. Hon Murray Criddle can take responsibility for it. It is a good project. Although I would have preferred it to have been undertaken sooner, it is being developed. A direct commitment was made to fund that project, and it is being honoured, whereas other commitments have not.

I refer to Muirs road. I was not aware that it was called Muirs road. I have always known it as Muirs Highway. The Government has turned the highway into a road. That fits with the priority it gives to road building in this State. This Government will turn highways into roads, roads into tracks and tracks into wilderness areas. It will amalgamate the wilderness areas into national parks. That is the Government's agenda. I refer to what is called Muirs road in the *Budget Statements*, but which I will refer to as Muirs Highway, because as far as I am concerned, it has always been called Muirs Highway. The estimated total cost to construct and seal the Mt Barker bypass is \$5.6 million. At June this year, \$1.057 million had been spent. Last year the estimated expenditure was \$98 000, which is a measly amount considering the total budget. The Government has not provided any funding to continue that project this year.

This pattern is being repeated throughout my electorate in the south west. Some projects have been started and some money has been allocated and spent but no funding has been provided for the next four years. That creates a totally false economy because in four years time it will cost more money to start the project again. The estimated total cost to widen and seal the Mt Barker northern bypass to Denmark along Mt Barker Road is \$5.076 million. Once again, the Government has not allocated any money for that project in the foreseeable future. The only works in progress on Muirs Highway that will receive any attention is the reconstruction of the highway between Nyamup and Strachan. The Government has made a major commitment of \$20.8 million to that project. Work has started on it. Some \$1.4 million has been spent over the past few years to June this year. It is estimated that \$87 500 has been spent on it over the past 12 months, and \$1.4 million has been committed for the project over the next 12 months. At least that project is under way, although perhaps not as quickly as many people would like, including Jim Muir, who is a member of the family after which the highway is named. He gets very frustrated when I speak to him about the lack of attention various Governments have given to Muirs Highway. The previous Government gave it some attention, but work on it has been slowed to a snails pace by this Government. The estimated total cost of the project to widen, primer seal and seal the highway from Strachan to the regional boundary is \$19.19 million. Only \$22 000 has been spent to date and absolutely no funding has been allocated into the future.

The Old Coast Road is a major arterial road into the south west of the State. The estimated total cost to construct and seal the Australind-Australind bypass road, including the bridge, is \$13.71 million. This section has been isolated from the Australind bypass. So far, only \$7 000 has been spent on the project and absolutely no funding has been allocated into the future. The Perth-Bunbury Highway is a major highway that incorporates Old Coast Road.

I have previously spoken about the Bunbury outer ring road and about access to the Bunbury port. These are vital road projects for the infrastructure of Bunbury. Members should not forget that Bunbury is the second biggest city in this State. The estimated total cost to construct and seal the road, including bridges, is \$41.089 million. So far, only \$708 000 has been spent. Only \$60 000 was spent on the project in the past 12 months and no funding has been allocated in the future. The Government has only a few drawings in a drawer somewhere in the Main Roads building in Bunbury to show for that project. That is a very poor result for an urgently needed piece of infrastructure. The Bunbury port access road is a very important project. The total estimated cost to construct and seal that road is \$17.1 million. Some \$112 000 has been spent on it, and only \$20 000 has been spent on it in the past 12 months. Once again, that project is in a black hole and has not been allocated any funding in the future. This is occurring at a time when the Bunbury port will come under increasing pressure from heavy transport to transport products to the port. Some of that produce will include blue gum trees from plantations.

The total estimated cost of the northern Mandurah bypass is \$37.1 million. Only \$130 000 has been allocated and spent on that project to date and no funding has been provided for it in the future. The estimated total cost to construct and seal the Peel deviation is \$71.01 million. The figures should include \$166.7 million for the extension to the Kwinana Freeway, to which I referred earlier, because that is the total road project.

Hon Murray Criddle interjected.

Hon BARRY HOUSE: That would be right. It is a major piece of infrastructure. It is becoming more obvious every day that it will be needed very soon. The Government thinks that the construction of the Mandurah railway is a magic formula. It will be built sometime in the never-never. Signs have gone up where the Mandurah railway station will be built. That is a very good tactic. Is the completion date 2007 or 2009?

Hon Simon O'Brien: The signs showing that the station would be open this year have been taken down from my area.

Hon BARRY HOUSE: The signs say that a railway station will be built in the distant future.

Hon Nick Griffiths: Are you opposed to the railway?

Hon BARRY HOUSE: The previous Government would have built that railway station by now and the railway would have been operating along its preferred route.

Hon Ken Travers: Would you have built it in two and a half years?

Hon BARRY HOUSE: Absolutely.

Hon Nick Griffiths: Where would you have got the money?

Hon BARRY HOUSE: The former Government had allocated the money. This Government has just delayed the project to make its bottom line look better. The project has slid back one year, then two years and now five years. The estimated cost of the project has escalated through the roof. The Government has added a crazy new section of railway to be built along the river. That will blow-out the project to a ridiculous amount of money for only a marginal gain at best.

The Peel deviation is a major road. Very little money has been spent on it. Surprise, surprise, no money has been allocated for it in the near future. The estimated total cost to reconstruct and widen Raymond Road from the South Western Highway to the Australind bypass is \$4.6 million. At this stage, \$959 000 has been spent on that project. However, that money will probably all be wasted because no money has been allocated for the foreseeable future.

Hon Ken Travers: It is no different from your Government.

Hon BARRY HOUSE: It is vastly different.

Hon Ken Travers: You show me in the budget where you funded the Peel deviation.

Hon BARRY HOUSE: If the member listens, I will point to specific examples of communities to which it makes a difference whether the roads are upgraded. In the budget papers under works in progress, an entry for "Various Local Roads - Blue Gum Plantation - Various Improvements" appears. That is a total project. Considerable work was done on this by the timber industry road evaluation study group in the south west about five or six years ago. The estimated total cost is \$68.091 million. An amount of \$2.3 million has been spent, and \$2.4 million has been allocated for the coming year. At least something is happening. However, once again it is an example of expenditure only dribbling out, when major expenditure should be put into the road infrastructure in the south west. It was identified a few years ago. Many of the blue gums that were planted extensively in the south west about 10 or 15 years ago are now coming up for harvest. The trucks are starting to move around the south west in a definite pattern, and that will only increase in the next 10 or 20 years. The other part of the equation that the Government has not put together properly is what will happen to those plantations at the end. The Government has procrastinated on the location of the woodchip mill. Some questions are still to be answered on exactly where and how the blue gum product will be processed and get to a market.

The last issue on the budget estimates in my area concerns the entry "Vasse Highway - Busselton to Nannup - Widen Climbing Lanes". That is pretty important for that section of road, which can be very dangerous to traverse at various times, particularly just on dusk when there are millions of kangaroos to navigate around. The estimated total cost of that project is \$3.058 million. An amount of \$57 000 has been spent, probably once again on putting together some drawings and maps that have gone into a drawer or filing cabinet somewhere. Absolutely nothing has been allocated in the foreseeable future.

I wanted to support Hon Murray Criddle's comments and his motion by specifically identifying the roads that are feeling the impact of the neglect of the Government. In fact, it is an outright deception to put figures like those I quoted into budget statements to give the impression that this Government is funding all these roads throughout Western Australia, when in fact it has put all sorts of things on hold. It seems to be a tactic that the Government is using pretty extensively. It saves money. It makes its budget bottom line look pretty good simply by not spending the money. The infrastructure in this State always suffers. Labor Governments have a track record of doing that. One of the worst things that the previous Labor Government ever did was to cancel the regular maintenance programs in schools throughout the State. That was a quick fix that saved it some dollars at the time and made its budget look a bit better for a few years. However, it was a terrible decision in respect of good management of public assets. It cost the State an enormous amount in the long run. The same pattern is being repeated now with public roads.

The local authorities around the State are alarmed about the situation. I have mentioned the letter I received from the Shire of Gnowangerup. I also have a letter from the Shire of Augusta-Margaret River, which is extremely concerned about the situation. In part, the letter states -

We have recently received advice from the Main Roads that road project grants from the State Local Roads Program will be reduced to \$23.6M statewide and \$2.38M for the South West region. This represents a 25% decrease in funding from the agreed baseline allocations in the State Road Funds to Local Government Agreement, 2000/01 to 2004/05.

I highlight the word "agreed". That is a broken commitment. It continues -

Having received the commitment from the Premier Hon. Dr Geoff Gallop that the Labour Government would honour the State Road Funds to Local Government Agreement, Council expresses its extreme disappointment in the State Government.

This is a letter to Minister MacTiernan that the Shire of Augusta-Margaret River copied to me. It goes on to explain the way in which that local authority is already stretched far and wide in terms of the roads for which it is responsible and for which it is not receiving assistance from the State Government. The shire had been given an undertaking on which it thought it could rely. However, it has had the rug pulled from under its feet, and now it is being asked to deliver the product for its ratepayers with a vastly reduced budget. That is not fair, and it is not good management in the interests of that shire or the State of Western Australia. It is a totally deceptive tactic used by the Government. I support the comments of Hon Murray Criddle.

HON NORMAN MOORE (Mining and Pastoral - Leader of the Opposition) [3.06 pm]: I will be very brief. I will raise a couple of issues, part of which came out of this morning's debate on stamp duty and relate to this motion. Hon George Cash and I have on a number of occasions explained to the House that the Government is currently receiving about a billion dollars a year more in revenue than was projected at the last election. The amount of money that it will receive in its first four-year term - its first and last four-year term; that was not a Freudian slip, as some might think it was -

Hon Nick Griffiths: I think you were right the first time: our first four-year term.

Hon NORMAN MOORE: I can assure the minister that the Government's second one will be a long time away.

In this four-year term in office, the Government will get in excess of \$4 billion extra revenue on top of what was predicted at the last state election. As members know, at each election the Government and the Opposition are constrained by what Treasury determines to be the finances of the State. That is a good discipline on political parties, because they are required to indicate whether the expenditure required for the promises they have made will exceed the available revenue. That exercise was carried out at the last election. In answers to questions in this House, the Government has confirmed that it will get over \$4 billion extra in this term of office - that is, above and beyond what was projected, not above and beyond what it was getting then. There were projected increases anyway, but this amount is above the projected increases. This Government is receiving a vast amount of extra money. On top of that, it has increased taxes in every budget since it has been in office to the tune of several hundred million dollars a year. It has plenty of money. However, the speeches of Hon Murray Criddle and Hon Barry House have made it clear that the Government is not spending that money in the areas in which we believe it is appropriate and important to spend it. Where is the Government spending it? We start to look at things like salary increases and the change in the levels of people employed in various government agencies, and how they have all moved up two or three levels. If we keep working our way through that, we will find that vast sums of money are being spent in areas that are not all that obvious.

At a time when all this extra money is available to the Government, and it is not being spent in the areas that the Opposition thinks are important, we must ask what is its strategy. For example, in my shadow portfolio of water resources, there has been a scaling back of the infill sewerage program, and there is a so-called crisis in the water supply situation. There has been a reduction of capital works for the infill sewerage program, and a minimal capital works program for the Water Corporation in view of the so-called crisis. At the same time the Minister for Energy is saying that our next base-load power station cannot be funded by the Government. He is now even talking about some sort of a joint private sector operation. The Government quite obviously does not want to borrow any more money for those areas of operation because it must borrow extra money for the southern railway line. One of the few decisions this Government has made since it has been in office is to change the alignment of that railway line. For the benefit of the Minister for Racing and Gaming, the previous Government made a decision to build a railway from Mandurah to Perth via the Kenwick route, and set aside \$300 million from the sale of AlintaGas to help pay for it. That was a commitment, the time lines were set, we were up and going and the railway would have been in construction now had the previous Government been re-elected. The first thing the new Government did was to change the route of the railway line to go down the Kwinana Freeway. Since that decision was made, there have been constant and ongoing delays because the Government wants to keep using the money that would have been spent on the railway for other things, and we need to ask more questions about what they are.

Hon Ken Travers interjected.

Hon NORMAN MOORE: I find members who do that offensive. In this instance, this member offends me because he comes from the northern suburbs. The northern suburbs member yawning while I am talking about the southern railway line demonstrates that he does not understand what it is about. There is a railway line to the northern suburbs, costing huge amounts of taxpayer subsidies every year. The member should get into his car and drive down the Kwinana Freeway some time, instead of just going north all the time. In a speech yesterday, I gave the reason it took me two hours - I said three hours yesterday - to get to Parliament House for the briefings on the Nyoongah community. It took me from 8.00 am to 10.00 am to get from Booragoon to Perth because the freeway had two lanes covered in water from the Swan River. I thought to myself as I was driving along the freeway at about a quarter of a mile an hour - stationary

for most of the time - that this is what the freeway will be like all the time once the Government starts building its railway line. Right now we have the bus lane down the middle of the Freeway, put in place by Hon Eric Charlton. It took a long time to build, and there were many delays. Now the buses and taxis go roaring down the bus lane, and the cars using the freeway have three and sometime four lanes. When the Government starts building the railway line, the bus lane in the middle will become the railway, so that will be a construction zone. Obviously one lane on either side of that lane will be needed for access to the works, so the freeway will be down to two lanes. For as long as it takes to build this railway line down the freeway, the same set of circumstances that I encountered that morning when it took me two hours to get to work will prevail. That will be the situation every day of the year until the railway line is finished. When the railway line is finished there will be no dedicated bus lane. All the buses that serve the people of Booragoon - where I live - Applecross and Como, and currently go down the bus lane, will go onto the freeway and mix with all the cars and trucks. That freeway will be just like a permanent parking area. The member for the North Metropolitan Region thinks that is amusing or boring. Hon Ken Travers will have plenty of time to yawn when he goes south on the freeway. He will be sitting there yawning all the way to Perth.

There is a strange set of circumstances in Western Australia at the moment, in which the Government is committed to borrowing large sums of money to build a railway that nobody wants. Nobody I know of wants it to go down the freeway. The people in Mandurah want a railway, but they do not care whether it takes five, 10 or 15 minutes longer than it takes now.

Hon Peter Foss: People in the Gosnells area do want it to go via the Kenwick route.

Hon NORMAN MOORE: That is right, but they will miss out. Hon Barry House talked only about the roads in his electorate. There is a long list of roads that I will not go through now. I will save it for another day. For example, I mention the Tom Price road.

Hon Nick Griffiths: You said you would not go through them.

Hon NORMAN MOORE: I just use it as an example. The Speaker will probably have to resign, because the Government will not build the Tom Price road. He said he would resign if it were not built. Poor Mr Speaker - but then his electorate might disappear anyway, so it might save him the trouble. The Government is ignoring the needs of country Western Australia in a way that has been described already. It is not borrowing the money it needs for infrastructure in water, sewerage, electricity and other major areas. It does not want to borrow money to the point that it loses its AAA credit rating. It is attempting to constrain its borrowings so that it can borrow money for this railway line. At the moment the figure being talked about is \$1.4 billion. Railways have a habit of blowing out well beyond any projected price. Every railway line built in the world has had a significant cost blow-out over time.

Hon Nick Griffiths: So your \$1.2 billion would have been more than that.

Hon NORMAN MOORE: It would have, on the basis of these things happening as a matter of course, but nowhere near the kind of dollars the Government has in mind. Some of the costings being trotted around by this Government for tunnels and the rest are absolute rubbish. When I was a minister looking at sinking the railway line through the city, it was a project worth hundreds of millions of dollars. Now the Government is talking about tens of millions. I do not know where all these so-called savings are coming from, and why the Government can build these things for these dollars when that was not the case a short time ago.

I support the motion moved by Hon Murray Criddle. It is timely and fortuitous that he should bring it to the House to remind the Government that it is becoming city-centric. We are criticised for being that, but this Government is becoming the most city-centric Government in the history of Western Australia. This crazy railway line will consume vast sums of public money at the expense of the rest of the State. I suggest the Government get rid of the millstone from around its neck, put in place a railway line that might be of some use to some people at vastly less cost, and start using the money it must spend on this white elephant of a railway line on the real needs of the real people of Western Australia.

HON PADDY EMBRY (South West) [3.18 pm]: I support the motion brought to the House by Hon Murray Criddle, which is of extreme importance. It affects the short-term and long-term viability and financial future of our State. Everyone who manages a successful business knows that most of the profits generated from that business need to be reinvested in the business for it to continue to flourish. No business survives if most of the profits are extracted from it and used for other things. A wise manager knows that he cannot allow a profitable business to run down for too long or too far before he finds himself in serious trouble. Most of the State's income is derived from rural areas, not the metropolitan area.

Hon Nick Griffiths: The metropolitan area contains some rural areas.

Hon PADDY EMBRY: I know that. I know the metropolitan area considerably better than the minister knows rural areas. The minister will have the opportunity to speak later.

Most of the State's profitable income - that is, exports, not gross income - is generated outside the metropolitan area. However, a lot of money is made educating overseas students and things like that. It is very true. Despite that, most of the income is generated well away from the metropolitan area.

A good example of short-term gain on a farm, especially a livestock enterprise, is by a farmer not applying fertiliser. The cost of fertiliser is probably the largest item in a farmer's budget. Provided a farm has a good fertiliser history - what farmers used to call a super bank - and the land has been fertilised for a long time, a farmer will get away with not applying fertiliser for a year or so. However, it will not be too long before productivity is reduced. That is the sort of situation the State will face if we continue to see profits earned in rural areas not directed back to rural infrastructure. I assure members that a farmer's super bank, once depleted, takes time and a huge cost to rebuild. The same principle applies to industries other than farming.

I will speak on roads for the woodchipping industry. The industry is an income earner for the State. The industry is not as large as we would like it to be but, nevertheless, it earns income. There is a huge gap between the standards that roads need to be and what they are in harvesting areas. Some talk was made of the Muirs Highway. It is a good example. Not many people live on the Muirs Highway. If everything relates back to people, a person might say it is a highway that is not particularly important. That is true only if seen from a narrow perspective. The Muirs Highway is a major arterial road that connects Albany to Manjimup. People live on many roads in that area that are connected to the Muirs Highway. They need to use the highway to get to a hospital or whatever in the case of an emergency. It is a major arterial road that we like to call a highway. I doubt whether many government members of this House, apart from Hon Adele Farina, ever travel on it. The other members need to get out and about and drive on such roads. They would then understand what members on this side of the House are talking about and realise what a major problem they represent. The Muirs Highway is connected to a new and very exciting industry - the olive industry. Not many people are aware of that. Huge investments in olive farming have been made in the Frankland area and increasingly so in other parts of the south west and the State.

As administrators of this State, if we wish to maintain the standard of living that people enjoy and even improve it, we must keep the momentum of new and healthy industries going. If we diminish our income-earning industries, a major reduction in our standard of living will inevitably follow. The essential services that Governments are charged with providing will be reduced. Examples are health and education. Many people are already questioning whether essential services are on the decline. I will quote an example of that. It was brought to my attention recently that a patient who is not blessed with private health insurance might be referred by a general practitioner to a specialist working in a public hospital. I am not a technical expert on the medical side of life, but I will describe a relatively minor operation involving scraping the inside of a knee joint to remove the rough edges that sometimes develop. Unless a patient's condition is classified as critical - that is, he cannot move from a wheelchair - a public patient will wait five years before being seen by a specialist. The operation is relatively low-cost and undertaken with a scope. After five years have passed, the patient sees the specialist and, naturally, his condition has deteriorated considerably. He will then go on another long waiting list before anything is done. It will take between eight and 10 years for a patient in that condition to have his problem treated. No wonder people are questioning whether health services are diminishing.

Hon Nick Griffiths: Who told you that?

Hon PADDY EMBRY: A general practitioner who works in a low socioeconomic area.

Hon Nick Griffiths: I just wanted to know who was the person.

Hon PADDY EMBRY: I mentioned a general practitioner.

Hon Nick Griffiths: I may want to make inquiries about the reliability of the information.

Hon PADDY EMBRY: I have not checked up on him; I have no reason to believe he is telling lies. He works as a doctor in a low socioeconomic area. He cares for the people. There are many other examples and I am sure the minister is aware of some in which treatment is too little and too slow.

Unless the State puts serious money into the type of infrastructure spoken about by members in this afternoon's debate, what I am forecasting will inevitably happen. We have seen it in Africa. Look at Zimbabwe and Nigeria. They were two wealthy countries that, in a relatively short time without good administration and money spent on infrastructure, have gone into decline. Look at those countries now. However, I am not suggesting for a moment that we would reach that state. At least we have a democratic system, which does not allow the present Government to let the State get into that condition. However, that is what happens. The Government is charged with the duty of running this State, and it must be run like a benevolent business. For the short time I have been in this Chamber, I have not seen this State being in any way run like a business. If the Government does not run it like a business, and benevolently, the inevitable will happen. It wants to plough a vast sum of money into infrastructure that will run at a huge loss. It needs to put big money into infrastructure that will lead to greater profits. Then, maybe, this white elephant - members can call it whatever they will - can be afforded. However, it certainly cannot be afforded in its present form while the rest of the State bleeds to death.

HON JIM SCOTT (South Metropolitan) [3.30 pm]: It has been very interesting listening to the debate. It reminds me of the two types of science that people talk about. On one hand, there are reductionist scientists who look at things under microscopes and think that whatever they are looking at in that small viewpoint is what goes on in the rest of the universe, and they make certain assumptions from that. On the other hand, there are scientists, usually biological

scientists, who look at the ecosystem and realise that everything within a system plays a role and each thing interacts with others, and that what they look at in a small microcosm may not be the most important thing.

The debate on the rail line has been very interesting. There has been a lot of talk that building a rail line to Mandurah from Perth along that route is a huge waste of money and is impacting on the building of roads in the rest of the State. I have sat in this Chamber and seen the Government spend vast amounts of money - an inordinate amount of money - on roads in this State. We have built excessive roads in this State. We spend more per capita on roads than any other country in the world. We spend 16.9 per cent of Western Australia's gross domestic product on providing road transportation. That is the largest amount of money spent on roads per capita in the world. If we are spending more than any other country in the world, comparably we must be building more roads than any other country in the world.

Hon Paddy Embry: We have a large area to cover.

Hon JIM SCOTT: It is not larger than that in every country.

Hon Paddy Embry interjected.

Hon JIM SCOTT: That does come into it; that is true. However, most of that road is in the metropolitan region. That is the issue, is it not? The member should not go away because I will explain to him and the former minister where they are wrong.

The reason that people are spending so much money on roads in the metropolitan area is simply that we have not maintained a decent public transport system from the early development of this city. Our planning has been very poor. The more people we can get to use rapid transit systems such as a railway, the fewer roads we will have to build in the metropolitan area and the more money will be available for country roads. It is short-sighted in the extreme to look at a major infrastructure project and then extrapolate from it that the cost will be for every year forever -

Hon Murray Criddle: I have just explained that it will cost \$100 million in interest for as long as you can see.

Hon JIM SCOTT: That \$100 million in interest is interesting. I sat in this Chamber while the previous Government flogged off our rail freight system for far less than it was worth. It said that we would get a huge advantage from that sale.

Hon Murray Criddle interjected.

Hon JIM SCOTT: It was sold for far less than it would have cost someone to re-establish it. I was on the committee and it was estimated that the replacement value of the rail system was \$11 billion.

Hon Murray Criddle: Replacement value?

Hon JIM SCOTT: Yes.

Hon Murray Criddle: Of course the replacement value is very high.

Hon JIM SCOTT: We were promised faithfully that that would mean a great boost in the amount of rail that would be built for freight in this State and that we would see an expansion of rail.

Hon Murray Criddle interjected.

Hon JIM SCOTT: The member spoke about this and said that there would not be a rise in rail freight costs.

Hon Murray Criddle: Where is the rise?

Hon JIM SCOTT: What are farmers paying to transport their wheat now? Was it not a 16 per cent increase?

Hon Murray Criddle: Not as much as they were.

Hon JIM SCOTT: Not as much as they were!

Hon Murray Criddle: They are being charged according to a contract that was signed by the Pastoralists and Graziers Association, the Western Australian Farmers Federation, the Australian Wheat Board and the Grain Pool. It had nothing to do with the Government. It was signed by those stakeholders.

Hon JIM SCOTT: Funny, but the message I got from those people is that they are paying more.

Hon Murray Criddle: They signed a contract.

Hon JIM SCOTT: However, they are paying more.

Hon Murray Criddle: You must look at that contract to know why they are paying more. It is in the contract.

Hon JIM SCOTT: I am sure there are all sorts of excuses for why they are paying more.

Hon Murray Criddle: It has nothing to do with the change in the ownership of the rail system; it is to do with the contract.

Hon JIM SCOTT: Oh! Returning to that rail system, successive Governments, not just the previous Government, subsidised road transport at the expense of rail expansion.

Hon Murray Criddle interjected.

Hon JIM SCOTT: Rail transport was subsidising road transport. There used to be an excise tax on fuel, which was applied to freight trains, and that money was spent on roads. The big trucks still do not pay for the amount of damage they do to the roads. Large trucks are causing far more damage to roads than they pay back into the kitty. We are seeing the subsidisation of the road transport industry, which is becoming more and more expensive to maintain because the more roads we build, the more trucks use those roads, creating grooves in the roads through the centres of country towns and making it very expensive for the people in those towns to maintain those roads. It is a self-generating cost system. If members cannot understand that we must carry out infrastructure projects such as this rail project to Mandurah to get people off the roads, there is something wrong. Not only will we not have to build more roads, but also less maintenance will need to be done because of the lower usage of roads, which in turn will lead to more money being spent on country roads.

Hon Murray Criddle interjected.

The DEPUTY PRESIDENT: Order, members!

Hon JIM SCOTT: Hon Murray Criddle has asked how people would earn a living without getting it to rail. I have travelled in the country. I know that many country towns have rail lines through them. For example, Calingiri has a railway line and a wheat bin, and the railway line is virtually not used. There are huge grooves in the road through that town because of the traffic on the road and the subsidies that go into road transport. It is an absolute nonsense and poor economics on the part of members on the other side of the House if they think that is a good thing.

Hon Paddy Embry: The Kremlin would be a good example of sound economics.

Hon JIM SCOTT: I did not say that the Kremlin was.

Hon Paddy Embry: You are suggesting that we in the capitalist system do not have good economics.

Hon JIM SCOTT: I did not say "we in the capitalist system" anything. I did not refer to capitalists, communists, public or private. The only thing I referred to was the sale of Westrail for less than its value. Most regional members seem to agree that flogging off Westrail is a good thing. Most of the farmers who came to see me were certainly not very happy about it. They were extremely concerned at the Government doing that.

Hon Dee Margetts: The National Party seems to want to sell Telstra.

Hon JIM SCOTT: That is right. That is reductionist economics. The National Party thinks that it will get one big lump of money and a boost of resources into country areas. However, there will be no more profits from Telstra to go into building any more infrastructure. John Anderson has sold out the farmers.

Hon Murray Criddle: That is your solution, not ours.

Hon JIM SCOTT: Hon Murray Criddle obviously agrees with that solution.

Hon Murray Criddle: No. I said that it is your solution, not mine. You announced your solution for the Telstra Bill. Do not announce the National Party's solution.

Hon Nick Griffiths: They sold out.

Hon JIM SCOTT: There has been a big sell out and it is a big mistake.

People are getting very hot-headed without really examining the long-term effects. The previous Government's route would run the railway line over the Jandakot water mound, past Jandakot airport and through areas that would never be populated.

Hon Murray Criddle: They would.

Hon JIM SCOTT: Did the previous Government intend to build on the Jandakot water mound and Jandakot airport and below its flight paths? Any member can get hold of a copy of the *UBD Perth Street Directory* to see what is there and what is likely to be there in the future. A huge area of that route is empty. In addition, once that line joined the Armadale line, its trains would be competing for time with trains on the other line. That would, therefore, not allow the required density of traffic.

Hon Murray Criddle: The London Underground does it all the time.

Hon JIM SCOTT: The London Underground has not a single line but many lines. It has myriad lines. I was travelling on it only a few months ago. It is fantastic, but it is not a single line. It is a different situation.

Hon Paddy Embry: We are looking at moving a different number of people.

Hon JIM SCOTT: Indeed we are. The dreaded red Ken Livingstone, the Mayor of London, decided to impose a large tax on vehicles that did not need to be in the city and on cars with very few people in them. People who live in London say that it is the best thing that has happened for a very long time. London is saving a great deal of money on roads and its public transport system will be paying as well. It is a double bonus for London. That is the way we must start

thinking. We must get out of the paradigm in which we think that it is terrible spending money on a passenger rail system in Perth because it is taking money away from the country.

Hon Murray Criddle: Nobody said that. We were going to build a passenger railway.

Hon JIM SCOTT: I have heard the statement made at least three times today that because money was to be spent on the railway, it would take money from country roads. It was said that it would cost a fortune. In fact, I understand that the current estimate is about \$200 million more than the previous one. I do not know whether either of those figures is correct. However, we are talking about \$200 million when Hon Eric Charlton had massive road budgets.

Hon Murray Criddle: So did I.

Hon JIM SCOTT: Vast amounts of money were spent on roads, many of which were in urban areas, not country areas.

Hon Murray Criddle talked earlier about the grand theory that, whenever a road is built, it will bring in a lot of money and that somehow it will miraculously create wealth. I have heard that theory in this Chamber previously. When I asked if I could be shown the cost-benefit analysis of how that theory was arrived at -

Hon Murray Criddle: For the railway line?

Hon JIM SCOTT: No, the cost analysis of the profitability of building roads. Nobody could give me an answer in this Parliament. I was told that the question was too complicated but, if I liked, I could have a briefing. I said that I would like a briefing. A man dutifully came along from Main Roads. We started to talk about the costs and the benefits of roads and their wealth generation. It soon became apparent that he was only listing the benefits. I listed a whole range of costs. He said that they were not put into the department's calculation. It is no wonder that the previous Government and the previous minister think that every time a road is built it generates some form of economic benefit.

I am one of the people who think that Governments do not have to be run as a business. Governments are a lot more than a business. They must certainly remain solvent; there is no doubt about that. Remaining solvent is about ensuring that there is capacity for other people to create a healthy economy. It is not for the Government to build the economy, but the Government can assist. It must not assist to the point at which no-one can tell the difference between the Government and a business. I believe that would be a terrible mistake. Governments must deal with a lot more than a business. In addition, businesses are not always sustainable.

Hon Paddy Embry talked about the wealth generation of the woodchip industry. I read a document in 1992 that showed that if the cost to the community of replacing the timber was calculated, it would prove that the timber industry until that time had run at a \$600 million loss.

Hon Paddy Embry: I did not talk about wealth generation but income generation.

Hon JIM SCOTT: A \$600 million loss is not good for the State.

Hon Paddy Embry: I have been a keen advocate for the woodchip industry, as you know.

Hon JIM SCOTT: I have not heard the member speak about it. We must look at not only the immediate costs but also the sustainable picture as well.

Hon Paddy Embry: The cost of planting has been incurred now. Surely, the benefit needs to be reaped by harvesting. Woodchips cannot get to port unless there are roads on which to transport them.

Hon JIM SCOTT: I have no problem with exporting woodchips, as long as people are not cutting native forests to produce them. The Greens (WA) have always said that.

Hon Paddy Embry: I said that costs have been incurred with the planting. Obviously, some harvesting must wait, but harvesting is starting. To produce an income from those plantations, people need to be able to harvest the woodchips and get them to port, but they do not have any roads.

Hon JIM SCOTT: We do not need roads; we need rails.

Hon Paddy Embry: You can't put rail in.

Hon JIM SCOTT: If Hon Paddy Embry were to pop into Albany and Bunbury, but particularly Albany, and ask whether those communities wanted thousands of trucks pouring down their streets transporting woodchips, or rail, he would wake up very quickly about which method they preferred.

Hon Paddy Embry: You are talking about a fairly small number of people who call themselves community members. We all know where they come from.

Hon JIM SCOTT: Oh! They come from Albany.

Hon Paddy Embry: They are the very extreme, left, green side of the community.

Hon JIM SCOTT: I see. I can clearly state that Hon Paddy Embry does not want a rail line to the Albany port; he wants thousands of trucks to pour down the roads in that town.

Hon Paddy Embry: If you want to know what Hon Paddy Embry wants, you should let him say it himself. I do not need your help.

Hon JIM SCOTT: It is good to know where the member stands.

The DEPUTY PRESIDENT (Hon Jon Ford): Order, members! We should be having a debate, not an argument.

Hon JIM SCOTT: Thank you, Mr Deputy President. We cannot continue to look at a microcosm. We must look at the whole picture. A huge amount of wealth is generated in the country, but that wealth comes largely from extraction industries. It involves the extraction of resources, which are finite. We cannot continue to do that without putting something back. I have always believed that.

I have always been concerned about the inequities between city and country areas. If members read the speeches I have made in this place, they would find that I have raised concerns about the fact that people who live in areas in the north of the State in which oil and gas are extracted pay far more to fill up their petrol tanks than do people in Perth. Why is that? People who have dairy cattle in the south west pay more for their milk in local shops than people pay in Perth. These are inequities. We need to find ways to balance the situation. It is not an issue of city versus country. It is about finding mechanisms -

Hon Paddy Embry: I am afraid that it is.

Hon JIM SCOTT: For some parts of politics it may be city versus country. That has changed on the other side of the Chamber to some degree this year. There seems to be a different balance in the Opposition. I understand that the Liberal Party now has more country members than city members. The attitude of the party has changed as a result. If the Liberal Party wins more seats in the city at the next election, I wonder whether the party's attitude will stay country-centric. I was glancing through the Commission on Government report the other day and read what the Liberal Party spokespeople at that time thought about changing the voting system, and it was quite different from the party's more recent attitude to that issue.

We are talking about the lack of funding for roads, agriculture and power. The Government must try to maintain agriculture in a sustainable way and protect agricultural communities from collapse. It is a huge problem. One of the biggest problems at the moment is climate change. I go back to the microcosm picture. This is a very important issue for country people. It is perhaps more important for country people than city people, yet very little thought is going into how this State will reduce its greenhouse output. Australia is the worst place in the world in terms of its per capita greenhouse gas emissions.

Hon Peter Foss: That is assuming you are just counting the Kyoto countries. We have no idea what China and India are doing.

Hon JIM SCOTT: They have a pretty good idea of the energy use of the average Australian compared with the use of the average Chinese. Australia's average is worse.

Hon Peter Foss: There are a billion Chinese producing greenhouse emissions.

Hon JIM SCOTT: I remind the member that per capita means each person.

Hon Peter Foss: I understand that. We are not the real problem. My toenail does not have much affect on my weight, but the Chinese have a big impact on the world's population and greenhouse emissions.

Hon JIM SCOTT: We need to understand that every country in the world must play its part.

Hon Peter Foss: If India and China are not doing anything, you are wasting your time.

Hon JIM SCOTT: India and China are two different countries. In its last accounting period, China reduced its greenhouse output. It is doing more than Australia. It is doing better than Australia. The member made a mistake when talking about China because it has made a big effort to reduce its greenhouse gas emissions.

Hon Peter Foss: It needs to.

Hon JIM SCOTT: It does need to, and it is. Australia also needs to, but it is not. Australia is going in the opposite direction. More must be done. The major reason we have a problem with the Swan River with loss of fish and degradation of water quality is simply that the river is not flushed to the same extent it once was, as run-off has halved. Much less regular and smaller flushing of the river now occurs. That situation will get worse unless we deal with these issues. I cannot remember the name of the institute in London that conducted the latest analysis of greenhouse emissions.

Hon Paddy Embry: It wasn't the London School of Economics and Political Science?

Hon JIM SCOTT: No, that is the one Hon Paddy Embry listens to. It was a scientific organisation, not a faith-healers group like the London School of Economics and Political Science. This organisation estimated that the world is now on track for worse greenhouse conditions than had been thought, and that by the end of this century 95 per cent of all plants and animals on this planet would be wiped out. It did not say whether human beings were included in that 95 per cent.

Hon Peter Foss: The most useful thing would be a vasectomy for everybody.

Hon JIM SCOTT: One of the best things that could be done for country areas, the world and our survival would be to start considering better ways in which to do things rather than just to say that more roads must be built. Mass transit systems are a waste of money. Hon Paddy Embry called the Mandurah railway line a white elephant.

Hon Paddy Embry: Yes, a financial white elephant.

Hon Simon O'Brien: Are you against white elephants now?

The DEPUTY PRESIDENT: Order, members!

Hon JIM SCOTT: Some people cannot see beyond their noses. Time is running out for them to wake up and realise that major changes must be made to agricultural practices, transport and planning, such as the way in which cities are planned. Ways must be found to reduce the amount of coal-fired power. In particular, better energy systems for remote communities are required. Investment should be made in such things as photovoltaics and wind power, which would help conserve the climate in those areas. That is what the community should be aiming to achieve. After losing power for a day, people should not need to complain about having to hire electricians from far away because appropriately skilled people are not available in the country to fix wires in people's homes. Everyone's power supplies should come from solar panels on their roofs.

Hon Murray Criddle interjected.

Hon JIM SCOTT: Maybe the member will, but he would not have to battle with power to his house.

Hon Murray Criddle interjected.

Hon JIM SCOTT: Unless Governments invest in this new technology, they will not get the outcomes they want. The federal Government has pulled every penny out of investment into this new technology and put it into coal.

Hon Murray Criddle: It has nothing to do with coal. Power can be generated in other ways

Hon JIM SCOTT: Indeed. People are doing it in many innovative ways without using more resources than are used to build the plant. For instance, massive glass chimneys have been built in North Africa that have large photovoltaic bases under which tunnels are built. During the day, the photovoltaics create large amounts of industrial level power. During the night, the heat that is generated from the massive glass chimney remains in the chimney, causing updrafts, which drives turbines inside the chimney that provide power during the night. The glass chimneys are about a mile high; they are massive structures.

Several members interjected.

Hon JIM SCOTT: That is an example of a new, innovative way people are finding to produce energy, and they are being funded.

Hon Murray Criddle interjected.

Hon JIM SCOTT: Silica is needed to make glass, which is the most common element on the planet. I do not think there would be a huge environmental problem providing that resource. Once the chimney it is set up, it produces energy for virtually nothing. The only maintenance that is required is for the moving parts.

Governments must think outside of the square and consider the future. Building more roads and looking at power only in terms of power grids is a thing of the past. The State Government must consider the future. It should not sit 50 or 100 years behind the times. The Government does not need to waste massive amounts of money on building roads in the city. The State needs to provide a very efficient and regular public transport system in urban areas to enable more money to be spent on roads where they are needed in the country. The Government should not consider every road that is built an economic blessing, because they are not. That way of thinking is total nonsense.

HON JOHN FISCHER (Mining and Pastoral) [4.03 pm]: I support the remarks Hon Murray Criddle made to the motion. In my budget speech last Tuesday I raised several of the issues to which the member referred. The motion is very well warranted. I find it incredible that this Government has the hide to say that it is currently reviewing the local government agreement for state road funding over 2001-05 when it has already slashed funding to local government authorities over the next four years. Effectively, the Government has redirected \$200 million from road funding to the health budget in an attempt to overcome problems in that sphere. Frankly, that has led the Government into a field of broken promises on road construction funding in my electorate. That indicates the priority the Government places on regions outside the metropolitan area, which is very little.

As previous speakers have said, roads are without doubt the lifeblood of this State. It is all very well for Hon Jim Scott to complain about the number of roads being built. I understood the point he made with regard to the metropolitan area. I favour train systems. The problem I have with the Mandurah railway is the direction of it and the blow-out in the costs. Without adequate and safe roads in country and regional areas of the State, our mining, pastoral and tourism

industries will suffer. It is about time that people fully realised that the engine room of this State is a long way from the metropolitan area.

This Government failed its commitment to seal the Wiluna- Meekatharra road. That will have a significant economic impact on those towns and their industries and communities. Indeed, the communities beyond those towns will be affected. To a certain extent, Meekatharra is a service centre for Wiluna. Without an adequate road system between those two towns, the residents remain severely disadvantaged when accessing government services available in the area. That is extremely unfair on those communities because the Government gave a pre-election commitment to seal that road.

I have commended the Government on completing the sealing of the Mt Magnet to Leinster road. That has provided a catalyst for the mining and pastoral industries in those regions and it has also provided tourists with a circuit route from Kalgoorlie that will provide enormous economic benefits to the region. However, as I have previously mentioned, I am concerned that in the long term, cost-cutting measures relating to road construction will increase road maintenance costs incredibly. As I mentioned in my speech on the budget, many of the residents of that region and I are extremely concerned that the shoulders of that road in many areas are unsafe. There is no doubt that the road is dangerous for fully laden trucks that meet oncoming wide loads. One vehicle must pull over to allow the other to manoeuvre past. The road is a major service road for mining areas; therefore, that type of occurrence will endanger lives in the future.

However, of more importance is the reduction in road funding that has been effectively passed on to local government authorities. In other words, state government agencies are not footing the bill for the Government's relocation of funding to the health portfolio. The local authorities that do not have a large ratepayer base, including the shires of Sandstone and Wiluna, are being forced to bear the brunt of this metropolitan biased short-sightedness. For example, in a previous speech, I mentioned that \$150 000 will not be injected into the shire of Sandstone's economy in 2003-04. A small act like that can be catastrophic for Sandstone, which understandably relies heavily on the shire to inject funds into the community.

I am also concerned about the decision by Main Roads to move its bridge expertise to the south west. It sounds all well and good, and I hope and trust it will not impact on other regions in the State, particularly those in my electorate where bridges are vitally important to retain connections between sparsely situated regional centres.

I am also amazed at the antics of the minister who was reported in today's *Broome Advertiser* as saying that the sale of land around Broome would fund the upgrade of important roads in Broome. As members will be aware, proceeds from the sale of land do not directly fund roads. There is no direct connection between the two. If there were, I am sure that we could all find some government land to sell to ensure that sufficient capital was available for road funding. As a consequence, in Broome there is a definite safety problem with some roads. Gubinge Road in Broome, which is not scheduled for funding until 2011, is a prime example of that. These serious aspects in regional areas do nothing to help promote any diversity in the regions.

Another issue that is certainly a sore point with many private residents in regional areas is the cost of power. I believe that most people who live in regional areas recognise and expect that they will have to pay a little more than their city cousins for many of the necessities of life. However, they have a case in point when they refer to the cost of power for airconditioning and the fact that airconditioning subsidies paid to public servants are not available to private residents. Most people would agree that, in this day and age, the provision of airconditioning north of the twenty-sixth parallel is essential if businesses of any nature are to attract and retain employees. To my way of thinking, it follows that the Government should be doing everything possible to assist in creating job opportunities. The provision of airconditioning subsidies to everyone would be one way in which the Government could act responsibly. However, it has chosen to not examine this problem.

The State Government considers that the regional investment fund, with funding comprising a total of \$75 million over four years to cover all regional areas within the State, provides some compensation. In this respect, the fund is inadequate in two major areas. First, it is essentially a capital fund with a limited duration, and it does not address the continuing revenue needs of regional local governments. Secondly, the amount likely to be applied to the regions will comprise only a fraction of the funds that are available across the State. Unfortunately, the view held by the Government on this issue ignores the valuable role played by local authorities in ensuring that the employees of companies are able to live and work in well-planned, safe, healthy and attractive environments, or that the goods and services required by the resource companies are able to be transported to their work sites on roads maintained by the local authority. With the \$200 million taken away, it will be extremely difficult for that to occur. When one considers that Pilbara royalties earn this Government approximately \$800 million a year, yet the Government returns approximately \$1 million a year in funding to the shires, it is an extremely poor rate of return - one in 800.

I will mention one matter before we suspend. In the foreword to a paper entitled "Sustainable Regional Communities", the Premier said -

The challenge is . . . about ensuring that our economy thrives in a durable, efficient and equitable manner so that we can continue to deliver the schools and hospitals that we need, the jobs we want and a healthy lifestyle for the kind of inclusive communities we all wish to live in.

I would certainly like the Premier to define his comments in relation to rural communities.

Debate interrupted, pursuant to standing orders.

Sitting suspended from 4.15 to 4.30 pm

QUESTIONS WITHOUT NOTICE

MR EDWARD SHANE HOUSTON

1039. Hon NORMAN MOORE to the Leader of the House representing the Premier:

I refer to an article in *The West Australian* on 30 May 2003, titled "Footy box official quits".

- (1) Was Mr Houston exonerated by the public service inquiry, pursuant to the Public Sector Management Act?
- (2) If so, on what date was the inquiry exonerating him completed?
- (3) Were the allegations against Mr Houston that led to the inquiry found to be unfounded?

Hon KIM CHANCE replied:

I thank the member for some notice of this question.

- (1)-(3) The honourable member refers to a former employee of the Department of Health. The Director General of Health has advised the following -

An investigation into suspected breaches of discipline by Mr Houston was undertaken pursuant to the disciplinary provisions of the Public Sector Management Act 1994. Such procedures are normally treated as confidential. However, I can confirm an independent inquiry was undertaken by Mr Robert Laing, a former commissioner of the Australian Industrial Relations Commission. The inquiry was exhaustive. A comprehensive report was provided to the Director General of Health on 30 May 2003. The inquiry concluded that the charges against Mr Houston could not be upheld, or were unsustainable.

MR EDWARD SHANE HOUSTON

1040. Hon NORMAN MOORE to the minister representing the Attorney General:

I refer to previous questions 748 and 1090 of 2001 concerning Edward Shane Houston.

- (1) Did the Director of Public Prosecutions find that there was no case to the allegations on which charges had been laid against Mr Houston?
- (2) What was the recommendation of the Director of Public Prosecutions in relation to the case against Mr Houston?

Hon NICK GRIFFITHS replied:

I thank the member for some notice of this question. The Attorney General has provided the following response -

- (1)-(2) The Director of Public Prosecutions was of the view that there was a case to answer in respect of the charges laid against Mr Houston but upon being advised by letter from the Department of Health dated 18 April 2001 that an investigation under part 5, division 3 of the Public Sector Management Act 1994 may result in disciplinary proceedings being commenced, he formed the view that because of the availability and efficacy of an alternative to prosecution and other public interest factors, it was inappropriate for the prosecution to continue before the District Court.

PERTH TO MANDURAH RAILWAY, ABORIGINAL HERITAGE SITES

1041. Hon PETER FOSS to the parliamentary secretary representing the Minister for Planning and Infrastructure:

I note from your answer to question without notice 1028 that the minister is unable to give any assurance that the Como route of the southern railway will not be delayed by Aboriginal heritage issues, and that she is unable or unwilling to table any agreement with Aboriginal people so that the people of Western Australia can decide for themselves.

- (1) Is the minister able and willing, nonetheless, to give an assurance that -
 - (a) delays due to Aboriginal heritage issues will not exceed the 10.8 month estimate given in the Clifton Coney Stevens report; and
 - (b) the resultant cost of delay will not exceed \$108 million based on the CCS estimate of \$10 million per month for delays over six months?
- (2) If not, why not, and what assurances can the minister give to the people of Western Australia?

Hon KEN TRAVERS replied:

On behalf of the Parliamentary Secretary to the Minister for Planning and Infrastructure I thank the member for some notice of this question.

- (1) (a) The Government is confident that it has properly managed the Aboriginal heritage risk and that it will meet the benchmark estimates referred to.
- (b) The Government has no reason to believe it cannot construct the rail project within published budgets.

PROPOSED FURNITURE CONSORTIUM, MANJIMUP

1042. Hon BARRY HOUSE to the Minister for Agriculture, Forestry and Fisheries:

- (1) What is the minister's response to the statement made yesterday by Timber Communities Australia indicating that the proposed furniture consortium for Manjimup announced this week is at risk of failure before it even gets started unless the jarrah allocation is at least 165 000 cubic metres?
- (2) When can this project, and the more than 10 000 people who are reliant on the Western Australian timber industry expect the uncertainty surrounding timber allocations into the future to be cleared up.

Hon KIM CHANCE replied:

- (1) There would be a reason to suggest a risk of failure for the consortium if an insufficient jarrah allocation were made. There is no doubt about that and I take no issue with Timber Communities Australia on that point. We differ, however, on the quantum at which that risk of failure becomes apparent and critical. It is my view that the figure is not 165 000, but 140 000 below which risk of failure would be present. The reason is that the place in the list of requests for proposals occupied by the current Sotico operations would make it virtually impossible for the timber consortium operation to go ahead were the total allocation of jarrah grades 1 and 2 below 140 000. The difference between 140 000 and 165 000, while important, is not critical to the consortium's future in any specific sense. It may be important in a general sense. If I were making the statement that TCA made, I would not have used those numbers. The critical point for Manjimup is at a lower figure.
- (2) The announcement of fixed timber volumes and the outcome of the forest management plan is a matter I anticipate Cabinet will be dealing with quite soon. The member will be aware that the Government is focused around concluding these arrangements as soon as possible, because a number of issues will have to be put in place consequent to the final decision on the FMP. However, at this stage we are still awaiting advice from the Conservation Commission of Western Australia.

WATER MANAGEMENT DISTRICT COMMITTEES

1043. Hon BILL STRETCH to the minister representing the Minister for the Environment and Heritage:

I refer the minister to proposals to create water management district committees in Western Australia.

- (1) How many district committees exist now?
- (2) Where are they situated?
- (3) Who are the members and whom do they represent?
- (4) Are committee members remunerated and, if so, from what funding source?
- (5) How are decisions of these committees arrived at, and what research facilities are at their disposal?
- (6) How are stakeholders consulted?
- (7) How are decisions implemented?

Hon TOM STEPHENS replied:

I thank the honourable member for some notice of this excellent question. The Minister for the Environment and Heritage has provided the following response -

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

ABORIGINAL SUPPORT WORKERS AND CHILD PROTECTION WORKERS

1044. Hon ROBYN McSWEENEY to the parliamentary secretary representing the Minister for Community Development, Women's Interests, Seniors and Youth:

- (1) Where in the State will the 14 additional Aboriginal support workers promised in the budget be placed?
- (2) What experience will they have, and what training will be given?

- (3) Will they be qualified social workers, or graduate welfare officers?
- (4) Where in the State will the 25 child protection workers promised in the budget be placed?
- (5) Will these 25 places be given to qualified social workers?

Hon LJILJANNA RAVLICH replied:

I thank the member for some notice of this question. Unfortunately, I do not have the response.

JOONDALUP REGIONAL PERFORMING ARTS CENTRE AND HOSPITALITY TRAINING CENTRE,
COLLOCATION

1045. Hon ALAN CADBY to the parliamentary secretary representing the Minister for Education and Training:

- (1) What is the status of negotiations between the City of Joondalup, the Department of Education and Training, and the West Coast College of TAFE about the collocation of the Joondalup regional performance arts centre and the hospitality training centre?
- (2) How will the costs of this collocation be shared between the partnership groups?
- (3) How will this collocation affect the estimated \$5.5 million cost to government of this project?

Hon KEN TRAVERS replied:

I thank the member for some notice of this question.

- (1) The minister has been advised that negotiations are ongoing.
- (2) The Department of Education and Training will fund the hospitality training centre and the City of Joondalup will fund the performing arts centre.
- (3) The budget of \$5.5 million allocated for the hospitality training centre will not be affected by the collocation.

MARRI WOODCHIPS, SALE

1046. Hon CHRISTINE SHARP to the Minister for Agriculture, Forestry and Fisheries:

- (1) What are the names of the Chinese, Indonesian, Thai and Japanese companies with which the Forest Products Commission is, or has been, negotiating for the sale of marri woodchips?
- (2) What volumes of marri woodchips have been offered to, or discussed with, the companies separately and in total?
- (3) What sale price, based on tonnes and cubic metres, has been offered to the companies?
- (4) What is the name of the Italian company to which the Forest Products Commission recently sold 17 000 tonnes of marri woodchips and what was the sale price?
- (5) Has the recommencement of marri woodchipping been brought before Cabinet?

Hon KIM CHANCE replied:

I thank the member for some notice of this question.

- (1) Contact has been made with a large number of companies, either by Forest Products Commission staff or agents. It will take some time to obtain a full list of names and determine whether there are commercial-in-confidence issues associated with releasing them. The member is asked to put this part of the question on notice. An attempt will be made to provide as complete a list as possible.
- (2) Only general discussions have taken place, in which a total volume in the order of 100 000 tonnes a year has been under consideration.
- (3) Discussions to date have not settled on any specific price, and this may vary depending on the currency and exchange rates involved.
- (4) The recent shipment to Italy was sold under contract to an Australian company named Auscorp. The Forest Products Commission did not deal directly with the Italian company. The price of a tonne of woodchip is confidential but equates to a log equivalent price of approximately \$62 a tonne.
- (5) The formal answer is no. However, it requires more explanation. There is no need for marri woodchipping to be brought before Cabinet. Marri woodchips are part of the suite of forest products that the Forest Products Commission is charged with selling. It is unnecessary to raise with Cabinet whether a particular forest product will be sold. The question is predicated on the word "recommencement". Marri woodchipping has never ceased; it has been an ongoing issue. The amount of marri harvested in Western Australia and therefore

chipped in Western Australia declined following the decision of one major buyer to cease taking delivery of marri woodchips. The company was Marubeni Corporation. Marri woodchipping has never ceased, nor has any announcement been made by government that it has.

SMOKING IN ENCLOSED PUBLIC SPACES, REMOVAL OF EXEMPTIONS

1047. Hon GIZ WATSON to the parliamentary secretary representing the Minister for Health:

Following the minister's tabling of the review of the operation and effectiveness of part IXB of the Health Act 1911 and the Health (Smoking in Enclosed Public Spaces) Regulations 1999, the minister has decided not to implement recommendation No 1, which calls for removing all exemptions from enclosed public spaces including hotels, taverns and nightclubs.

- (1) By failing to implement the Department of Health's prime recommendation, has the Government sought legal advice about whether it will be open to future litigation by employees who contract smoking-related illnesses?
- (2) If yes to (1), what was the advice received?
- (3) If any such legal advice has indicated that the Government could be held responsible for smoking-related illnesses contracted in exempted workplaces, what is the extent of the State's liability?
- (4) If no to (1), does the Government intend to seek legal advice about its potential liability?
- (5) If yes to (4), when will it seek such advice?

Hon LJILJANNA RAVLICH replied:

I thank the member for some notice of this question.

- (1)-(5) Legal advice given is the subject of legal professional privilege, and if such advice were sought or received it would not be disclosed in any event.

BARROW ISLAND, INCINERATOR

1048. Hon JIM SCOTT to the minister representing the Minister for the Environment and Heritage:

I congratulate the Minister for Housing and Works on his early appearance today!

Hon Tom Stephens: It is very nice to be able to drop by and be here today!

The PRESIDENT: Order! Hon Jim Scott will not encourage bad behaviour.

- (1) Will the minister confirm that an incinerator has been established on Barrow Island to burn refuse generated by oil industry workers?
- (2) What pollution control equipment, if any, has been installed on the incinerator to prevent heavy metal and dioxin emissions from impacting on local ecosystems?
- (3) Where and how is the contaminated incinerated fly ash and bottom ash disposed of?
- (4) What level of environmental assessment was applied to the incinerator proposal by either the Department of Environmental Protection or the Environmental Protection Authority?
- (5) Was the incinerator proposal approved by the Department of Environmental Protection; and, if yes, when?

Hon TOM STEPHENS replied:

I thank the member for his welcome. As he appreciates, I have had a bit of a rough week and it is nice to be able to drop back into slumber land in the Chamber!

I thank the member for some notice of this question. The Minister for the Environment and Heritage has provided the following response -

- (1) Yes. In 1995-96 the incinerator was replaced and upgraded to burn putrescible and office waste at high temperature and reduce the amount of waste to landfill.
- (2) Pollution control is through limiting the waste stream to putrescible and office waste, high-temperature incineration, and five-metre stacks.
- (3) Ash is disposed of to landfill category 64, class 2, on site. The nature of the waste stream minimises risk of contaminated ash.
- (4) The proposal was not assessed as it was under the 100 kilogram an hour waste stream trigger for assessment.
- (5) As the proposal was under the assessment trigger, it does not require a Department of Environmental Protection licence.

INFINITREE PROGRAM, BUDGET ALLOCATION

1049. Hon MURRAY CRIDDLE to the Minister for Agriculture, Forestry and Fisheries:

I refer to the State Government's recent announcement that it will spend \$21 million over four years on the Infinitree program.

- (1) What is the total budget allocation for the promotional and advertising campaign for Infinitree?
- (2) What profit is Infinitree expected to deliver for the Forest Products Commission each year?
- (3) Is Infinitree a separate program to the \$32 million national action plan plantation forestry initiative?

Hon KIM CHANCE replied:

I thank the member for some notice of this question.

- (1) The projected total cost of the Infinitree campaign is \$986 000.
- (2) The Infinitree campaign is planned to provide environmental, social and economic benefits to regional areas of the State. Initial investment will be through the Forest Products Commission; however, external funding sources are currently being sought to enable the program to grow. The sources include private investment and the Commonwealth through programs such as the National Action Plan for Salinity and Water Control. Returns to the Forest Products Commission depend on the extent of its investment and the development of timber and carbon markets. There is a range of potential commercial outcomes depending on the advent of these markets, particularly carbon. However, it is important that the Government take leadership in the development of such initiatives that seek to address the manifest problems of our regional areas. Financial returns are unlikely to be realised until plantations are at least 12 years old.
- (3) I refer Hon Murray Criddle to the answer to part (2), which I think adequately answers that part of the question. However, to clarify that, the proposition that was put by the State Government to the Commonwealth Government in the context of the national action plan did include Infinitree as a component, but it would be impossible to relate one directly to the other. Perhaps I can provide the member with more information on that.

ABORIGINAL URBAN SETTLEMENTS, CLOSURE

1050. Hon DERRICK TOMLINSON to the parliamentary secretary representing the Minister for Indigenous Affairs:

- (1) Has the Department of Indigenous Affairs prepared a discussion paper seeking the advice of the Aboriginal and Torres Strait Islander Commission on the future of four urban settlements: Cullacabardee, Henley Brook, the Nyoongah Community and the Swan Valley Nyungah Community; and will the minister table a copy of the Department of Indigenous Affairs paper?
- (2) Was the paper considered by the Perth Noongar Regional Council at its meeting in April 2003, and did the council resolve that it strongly opposed the wholesale closure of the four settlements?
- (3) Now that the Swan Valley Nyungah Community has been closed, will the minister proceed to close Cullacabardee, Henley Brook and the Nyoongah Community?

Hon KEN TRAVERS replied:

I thank the member for some notice of this question. On behalf of the parliamentary secretary representing the Minister for Indigenous Affairs, I provide the following answer -

- (1) No.

Hon Derrick Tomlinson: What is this in my hand?

The PRESIDENT: Order! The parliamentary secretary will answer the question.

Hon KEN TRAVERS: I will continue.

- (2) Not applicable.
- (3) No.

GARLAND INTERNATIONAL PTY LTD REPORT

1051. Hon BARBARA SCOTT to the parliamentary secretary representing the Minister for Planning and Infrastructure:

Stakeholders affected by the Hope Valley-Wattleup redevelopment project desire access to the Garland International Pty Ltd report commissioned by LandCorp. Decisions were made by the Minister for Planning and Infrastructure and LandCorp - the Western Australian Land Authority - to refuse access. In her decision, the Western Australian planning

commissioner set aside the decision to refuse access. The commissioner exempted certain documents and required that some personal information be deleted before access would be granted. Will the minister provide the Parliament with the Garland International report, exempting documents 20 and 21 and after the deletion of personal information described in paragraph 47 of the commissioner's decision?

Hon KEN TRAVERS replied:

I thank the member for some notice of this question. On behalf of the parliamentary secretary representing the Minister for Planning and Infrastructure, I provide the following answer -

The Western Australian commissioner's decision was to release the Garland International report only to the freedom of information applicant, Separovich Nominees Pty Ltd. The Garland International report contains private information relating to the businesses and decisions made by the relevant owners and operators. Separovich Nominees Pty Ltd had previously obtained written consent from other business owners and operators to have access to their private business information contained in the report. In order to allow time to determine whether it is now appropriate to release the report more broadly, the minister requires that the question be put on notice.

STATE BUDGET, CASH DEFICITS

1052. Hon GEORGE CASH to the minister representing the Treasurer:

I refer the Treasurer to the general government cash flow statement on page 174 of budget paper No 3.

- (1) Can the Treasurer confirm that the statement shows the Government incurring real accounting cash deficits of \$136 million in 2001-02, \$109 million in 2002-03 and a forecast cash deficit of \$209 million for the coming year?
- (2) Can the Treasurer explain why he has failed to clearly acknowledge the cash deficit results in three consecutive budget speeches?

Hon NICK GRIFFITHS replied:

I thank the member for some notice of this question. The Treasurer has provided the following response -

- (1) An accounting standards-based cash flow is not presented in the budget papers. The budget projections are prepared on an Australian Bureau of Statistics government finance statistics basis, consistent with the uniform presentation framework agreed by all jurisdictions. The GFS cash surplus-deficit estimates are the figures to which the member should refer. The GFS surplus-deficit result in 2001-02 was a deficit of \$31 million. In 2002-03, a \$35 million GFS cash deficit is estimated and in 2003-04 the budget forecast is for a \$152 million GFS cash deficit.
- (2) The Government has a comprehensive set of financial targets, which have remained unchanged since it was elected. These targets are a mix of accrual and cash measures, which have been accepted by the international credit rating agencies as being appropriate and adequate for their purposes in monitoring the State's financial performance. The GFS cash surplus-deficit is not a specifically targeted financial aggregate. However, actual results and forecasts of this aggregate have been clearly identified and discussed in budget paper No 3 in each of the budget papers over the past three years. Furthermore, the cash surplus-deficit contributes to movements in net debt, which have been discussed in previous budget papers, including the budget speech, and is a closely monitored target measure for the Government.

DOODLAKINE RAILWAY STATION, CLOSURE

1053. Hon FRANK HOUGH to the Minister for the Midwest, Wheatbelt and Great Southern:

I refer to the original capital of Australia - Doodlakine! Is it true that Doodlakine railway station is about to be closed; and, if so, why?

Hon KIM CHANCE replied:

I thank Hon Frank Hough for the question. In the normal course of events, I would have asked for this matter to be referred to the Minister for Planning and Infrastructure. However, the member has correctly identified this as a matter that falls within the broader jurisdiction of the Minister for the Midwest. It is certainly the case that I have been advised of events surrounding the matter that the member has raised.

Hon Barry House: The Government has dorothy dix questions and we have doodly questions!

Hon KIM CHANCE: No, not at all. This is a difficult question. It has been raised with me by the Shire of Kellerberrin, local residents in Doodlakine - some of whom are not related to me - and, most importantly, the Wheatbelt Development Commission. My advice from the Wheatbelt Development Commission is that safety issues have been raised about the new Doodlakine platform. The member will be aware that the old Doodlakine platform was at the Co-operative Bulk Handling Ltd facility a kilometre or two east of town. A new platform facility was made available in town for the convenience of *Prospector* patrons. The concern that has been raised is a safety concern; in particular,

when the *Prospector* is in three-car configuration and it stops at the central town platform, it provides an overhang across the North Doodlakine road-rail intersection.

I have made the appropriate approaches to the Minister for Planning and Infrastructure about this matter and am awaiting her response. However, in the meantime we have hit on a solution to the problem. We have suggested that when people make a booking for Doodlakine, their tickets be allocated in the third of the three carriages, which would mean there would be no overhang across the level crossing. We know that we have proposed a complex solution and that it will take some time to work its way through the bureaucracy. However, we are hopeful our admittedly complicated and Machiavellian solution will be ultimately understood and adopted and that we will continue to satisfy the need of all those faithful Westrail patrons in Doodlakine.

SOBERING-UP CENTRES

1054. Hon JOHN FISCHER to the parliamentary secretary representing the Minister for Indigenous Affairs:

According to an article in *The West Australian* on Wednesday, 18 June 2003, there are 13 sobering-up centres being run in this State.

- (1) Does the State Government fund these sobering-up centres?
- (2) If so, at what cost?
- (3) Is a professional counsellor employed full-time at each of these centres to help rehabilitate those people frequently attending these centres?
- (4) If not, what qualifications are required for people who work in these centres?
- (5) If there is no professional counsellor employed, are there any attempts at rehabilitating regular users of these centres?
- (6) Are these centres open to all age groups?
- (7) Are any restrictions set in place to refuse entry to any of these centres?

Hon KEN TRAVERS replied:

This question should be directed to the Minister for Health.

QUESTION WITHOUT NOTICE 910, ANSWER ADVICE

Hon LJILJANNA RAVLICH (Parliamentary Secretary): Hon Robyn McSweeney asked me question without notice 1044. The answer has been delivered to me and I seek to have it incorporated into *Hansard*.

Leave granted.

The following material was incorporated -

-
- (1) Aboriginal and Torres Strait Islander Commission Perth metropolitan region - Fremantle, Armadale, Midland, Mirrabooka, Mandurah;
 ATSIC southern country region - Northam, Katanning;
 ATSIC Kimberley region - Broome, Derby, Kununurra;
 ATSIC Pilbara region - one worker, exact location to be determined;
 ATSIC Murchison region - one worker, exact location to be determined;
 ATSIC goldfields region - two workers, exact locations to be determined.
 Negotiations are continuing with ATSIC regional councils as to the specific locations for the Aboriginal counselling and support workers.
 - (2) It is anticipated that the workers will have a range of experience with particular emphasis on -
 engaging and supporting vulnerable Aboriginal young people who may be frightened of government agencies;
 working with Aboriginal families, communities and government agencies.
 - (3) Training will be provided by a community skills training centre and others to assist workers settle into their roles, gain an understanding of local agencies and resources and to provide community education and promotion.
 - (4) Social work or graduate welfare officer qualifications will not be an essential requirement for the position.
 - (5) Perth metropolitan region - Mirrabooka, Midland, Armadale, Fremantle, Rockingham, Mandurah, evidentiary unit within Princess Margaret Hospital for Children x four child protection workers;

Kimberley region - Broome, Halls Creek, Kununurra, Fitzroy Crossing, Derby;

Pilbara region - Hedland, Roebourne, Newman;

Murchison region - Geraldton, Meekatharra, Carnarvon;

Goldfields region - Kalgoorlie, Leonora, Laverton x two child protection workers.

Some locations will change after the completion of the multi-purpose police facilities. Negotiations with ATSIC regional councils have been undertaken as to the specific locations for the child protection workers.

- (6) A social work qualification is not an essential criterion for the positions, though social workers could apply.

QUESTION ON NOTICE 853, DOCUMENT TABLING

HON KEN TRAVERS (Parliamentary Secretary): On behalf of Hon Graham Giffard (Parliamentary Secretary) I table a document in relation to question on notice 853 asked by Hon Robin Chapple.

[See paper No 1211.]

SENTENCE ADMINISTRATION BILL 2002

Committee

Resumed from earlier stage of the sitting. The Deputy Chairman of Committees (Hon Jon Ford) in the Chair; Hon Nick Griffiths (Minister for Racing and Gaming) in charge of the Bill.

Clause 4: Interpretation and abbreviations -

Debate was interrupted after Hon Peter Foss had moved an amendment.

Hon GIZ WATSON: I have listened to the arguments of the minister and of Hon Peter Foss on the wording. We do not support the proposition that the definition of a serious offence should be left to a regulation. The Greens (WA) will therefore be supporting the amendment moved by Hon Peter Foss.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 5 to 22 put and passed.

Clause 23: CEO may parole prisoner -

Hon NICK GRIFFITHS: I move -

Page 15, after line 4 - To insert -

- (1) In this section —

“**prescribed prisoner**” means a prisoner who —

- (a) is serving a term for a serious offence;
- (b) was released, whether on parole or otherwise, from serving a term for a serious offence on a date in the 5 years preceding the commencement of the term that the prisoner is serving; or
- (c) was subject to an early release order that was made under this Act or the *Sentence Administration Act 1995* and that was cancelled under this Act or that Act on a date in the 2 years preceding the commencement of the term that the prisoner is serving.

Page 15, line 8 - To insert before “prisoner” -

prescribed

Page 15, lines 8 and 9 - To delete “of a class prescribed for the purposes of this paragraph”.

Amendments put and passed.

Clause, as amended, put and passed.

Clause 24: Prisoner to be notified of postponement or refusal of parole -

Hon NICK GRIFFITHS: I move -

Page 16, lines 19 and 20 - To delete “his or her right to make submissions under subsection (3)” and insert instead “the effect of section 46”.

Page 16, lines 21 and 22 - To delete the lines.

Amendments put and passed.**Clause, as amended, put and passed.****Clauses 25 to 41 put and passed.****Clause 42: Prisoner to be notified -**

Hon NICK GRIFFITHS: I move -

Page 25, lines 10 and 11 - To delete "his or her right to make submissions under subsection (4)" and insert instead "the effect of section 46".

Page 25, lines 12 to 14 - To delete the lines.

Amendments put and passed.**Clause, as amended, put and passed.****Clauses 43 and 44 put and passed.****Clause 45: Cancellation, prisoner to be notified -**

Hon NICK GRIFFITHS: I move -

Page 26, line 15 - To delete "44(2)" and insert instead "44(3)".

Page 26, lines 21 and 22 - To delete "his or her right to make submissions under subsection (4)" and insert instead "the effect of section 46".

Page 26, lines 23 to 25 - To delete the lines.

Amendments put and passed.**Clause, as amended, put and passed.****Clauses 46 to 50 put and passed.****Clause 51: Board may make RRO -**

Hon NICK GRIFFITHS: I move -

Page 29, line 30 - To insert after "RRO" -

to come into effect on a date specified by the Board

Amendment put and passed.

Hon PETER FOSS: Before I move my amendment, I will explain why we should persist with the recommendation of the Standing Committee on Legislation rather than the Government's rewrite of it. The committee report recommended an amendment. There are differences between the Government's amendment and the Legislation Committee's amendment. One difference is of no consequence; the amendments are framed in slightly different ways. The other is a difference in wording between the amendments, which does make a difference. The Legislation Committee recommended the following amendment -

the safety of people in the community or of any individual in the community would be better assured by the prisoner spending time on supervised re-entry release than by being released at the end of the sentence without any supervised release.

The Government's proposed amendment states -

If in the case of a prisoner who is not serving a parole term the Board is not satisfied under subsection (2), the Board may nevertheless make an RRO -

We do not have any problem with that. It continues -

in respect of the prisoner, if satisfied that the risk to the personal safety of people in the community or of any individual in the community would be better assured -

That is nonsense. We are trying to better assure not the risk but the safety. Something has gone funny in the drafting. I do not mind the reworking of the amendment proposed by the Legislation Committee or the new format adopted by the Government, but the wording of the Government's amendment is a bit mystifying.

Hon Nick Griffiths: What if the words "risk to the" in the third line were deleted, so that it read "if satisfied that the personal safety"? That would do the job.

Hon PETER FOSS: Yes.

Hon Nick Griffiths: If you do not move your amendments, I will move the Government's amendment, but with that change.

Hon PETER FOSS: In that case, I will not move the two amendments standing in my name.

Hon NICK GRIFFITHS: I seek leave of the Committee to move amendment No 19/51 with the words "risk to the" deleted from the third line.

Leave granted.

Hon NICK GRIFFITHS: I move -

Page 30, after line 6 - To insert -

- (3) If in the case of a prisoner who is not serving a parole term the Board is not satisfied under subsection (2), the Board may nevertheless make an RRO in respect of the prisoner if satisfied that the personal safety of people in the community or of any individual in the community would be better assured if the prisoner were released under an RRO instead of at the time when he or she would otherwise have to be released.

Amendment, as altered, put and passed.

Clause, as amended, put and passed.

Clauses 52 and 53 put and passed.

Clause 54: RRO, standard obligations -

Hon NICK GRIFFITHS: I move -

Page 31, after line 23 - To insert -

- (a) must report to a community corrections centre within 72 hours after being released, or as otherwise directed by a CCO;

During the evaluation of recommendations 6 and 7 of the report of the Legislation Committee, it became apparent that the supervision requirements of re-entry release orders were not as clearly spelt out as they were for parole orders. For that reason, this amendment proposes to insert a new paragraph that outlines requirements for prisoners to report to community correction centres. It is in identical terms to the provision for parole orders in the Sentence Administration Bill.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 55 to 105 put and passed.

Clause 106: Orders by the Board -

Hon NICK GRIFFITHS: I move -

Page 60, lines 23 and 24 - To delete "parole term of a prescribed class" and insert instead -
prisoner serving a parole term of at least 2 years for a serious offence

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 107 to 119 put and passed.

New clause 46 -

Hon NICK GRIFFITHS: I move -

Page 27, after line 1 - To insert the following new clause -

46. Decision to refuse etc. parole, Board may review

- (1) A prisoner given notice under section 42(1) or 45(1) of a decision of the Board may request the Board to review its decision and may make submissions to the Board about its decision and reasons (if any are supplied).
- (2) A prisoner given notice under section 24(1), 42(2) or 45(2) of a decision of the CEO may request the Board to review the CEO's decision and may make submissions to the Board about the CEO's decision and reasons (if any are supplied).
- (3) Any such request or submissions must be made in writing.
- (4) On a request made under subsection (1), the Board must consider any such submissions and review its decision and may confirm or amend it or cancel it and make another decision.

- (5) On a request made under subsection (2), the Board must consider any such reasons and submissions and review the CEO's decision and may confirm it or —
 - (a) if the CEO's decision was made under section 23(2)(a), make a parole order in accordance with section 23 as if it were the CEO;
 - (b) if the CEO's decision was made under section 38(1), cancel or amend it; or
 - (c) if the CEO's decision was made under section 44(3), make a parole order in accordance with section 23 as if it were the CEO.
- (6) Any such parole order made by the Board is to be taken to be a CEO parole order for the purposes of this Act.
- (7) The Board must give the prisoner written notice of its decision on a review conducted under this section.

New clause put and passed.

New clause 58 -

Hon NICK GRIFFITHS: I move -

Page 33, after line 10 - To insert -

58. CEO to ensure prisoner is supervised during RRO

- (1) The CEO must ensure that during the period of an RRO a CCO is assigned to supervise the prisoner.
- (2) However, if at any time the CEO is satisfied that —
 - (a) the prisoner is complying with his or her undertaking in a satisfactory manner; and
 - (b) the risk of the prisoner re-offending if not subject to supervision by a CCO is minimal,
 the CEO may recommend to the Board that the prisoner no longer be supervised by a CCO.
- (3) If the CEO makes a recommendation under subsection (2), the Board may direct the CEO that the prisoner need no longer be supervised during the period of the RRO and the CEO may cease the supervision of the prisoner.
- (4) If the CEO ceases the supervision of a prisoner the CEO is to inform the prisoner.
- (5) The fact that a prisoner ceases to be under supervision does not affect the prisoner's duty to obey the requirements of his or her undertaking during the period of the RRO.
- (6) The Board may at any time cancel a direction given to the CEO under subsection (3).

New clause put and passed.

Schedule 1 put and passed.

New schedule 2 -

Hon PETER FOSS: I move -

Page 69, after line 16 - To insert the following new schedule -

Schedule 2 — Prescribed offences

[s. 4]

A prescribed offence is an offence under any of these chapters of The Criminal Code —

- (i) Chapter XXVIII — Homicide: Suicide: Concealment of birth
- (ii) Chapter XXIX — Offences endangering life or health
- (iii) Chapter XXX — Assaults
- (iv) Chapter XXXI — Sexual Offences
- (v) Chapter XXXIII — Offences against liberty

- (vi) Chapter XXXIII A — Threats
- (vii) Chapter XXXIII B — Stalking
- (viii) Chapter XXXVIII — Robbery; Extortion by Threats

This new schedule is consequential to changes to other parts of the legislation.

New schedule put and passed.

Title put and passed.

**SENTENCING LEGISLATION AMENDMENT AND REPEAL BILL 2002
SENTENCE ADMINISTRATION BILL 2002**

Reports

Bills reported, with amendments.

Leave granted to proceed forthwith through remaining stages.

Reports of Committee adopted.

Third Readings

Bills read a third time, on motion by Hon Nick Griffiths (Minister for Racing and Gaming), and returned to the Assembly with amendments.

SITTINGS OF THE HOUSE

Sessional Orders Suspension

On motion by Hon Kim Chance (Leader of the House), resolved -

That so much of sessional orders be suspended that will permit the extension of today's sitting until conclusion of order of the day No 186 and members' statements, but, in any event, not beyond 6.45 pm tonight.

CORRUPTION AND CRIME COMMISSION BILL 2003

Second Reading

Resumed from 10 June.

Question put and passed.

Bill read a second time.

The DEPUTY PRESIDENT (Hon George Cash): As I understand it, the Minister for Racing and Gaming will move for an instruction to be given to the Committee of the Whole to split this Bill into two parts. That is why there has not been any debate on the second reading stage.

Point of Order

Hon PETER FOSS: I was a bit confused. I thought the motion would be referred to before the second reading and that the minister would move what we had agreed would be moved. However, he moved the second reading.

The DEPUTY PRESIDENT: In order to go into committee to divide the Bill, the second reading must be completed.

Hon PETER FOSS: I am sure we can handle it in some other procedural motion when we come back to it.

The DEPUTY PRESIDENT: That is why I wanted to give the House a rough idea of what was happening. I assure members that everything is under control.

Instruction to Committee of the Whole House

HON NICK GRIFFITHS (East Metropolitan - Minister for Racing and Gaming) [5.27 pm]: I move without notice -

That it be an instruction to the Committee of the Whole House that it have power to divide the Bill into two Bills and to insert new clauses, words of enactment, and make such amendments to any clause as may be necessary or desirable as a consequence of the division.

The Bill is not to be divided except for the purpose of including in one Bill those provisions that will allow for the appointment of a Commissioner, a Parliamentary Inspector, the employment of staff of either or both officers, and other purposes wholly related to the establishment of administrative and support services of those officers and staff, and carry on the functions of the police royal commission.

HON PETER FOSS (East Metropolitan) [5.28 pm]: The Opposition agrees to this motion. It arises out of discussions that took place between Hon Derrick Tomlinson, Hon Giz Watson, the Attorney General and me. The Attorney General requested that we agree to this course of action to enable the new Corruption and Crime Commission to be set up. We

agreed to do so on the basis that the Committee would have full capacity to look at the entire current Bill and to recommend amendments to the Bill as passed while commenting on the part that had not been passed. An understanding was arrived at at that meeting. The Attorney General understands that if he appoints a person who ceases to be qualified as a result of recommended amendments to the Bill from this House, the appointee may then no longer be qualified. The Attorney General appreciates that it is up to him to deal with that, not us. We also give no undertaking that what we are doing will work properly. We allowed him to choose the clauses that he felt were necessary to enable him to do it. We make no warranty. That is his choice. He makes it work or it does not work. All we are trying to do is to show that our real concern is to make certain this Bill has proper scrutiny and that we have time to do so, but that the Attorney General is able to get on with the administrative tasks that he believes need to be carried out urgently.

Hon Kim Chance: It is a win-win.

Hon PETER FOSS: I hope it is a win-win. If this carries through, only one set of powers will be brought into effect, and that set of powers is to carry on the Royal Commission Into Whether There Has Been Any Corrupt or Criminal Conduct by Western Australian Police Officers. Obviously, they are quite extensive powers, but they are powers already in existence and already being exercised. I suppose the difference is that there will be a different commissioner. Currently, Justice Kennedy is the commissioner, whereas afterwards it will be whoever is appointed commissioner, on whatever basis that person is appointed. The reality of the matter is that the commission is already functioning with extensive powers, its terms of reference are clear, and its end date is probably fairly close. Apart from that, it will be a body without power to do anything. Therefore, we have no concerns about this.

HON GIZ WATSON (North Metropolitan) [5.31 pm]: The Greens (WA) will support this motion. We have accepted that there is a valid argument that the matters before the police royal commission need to be dealt with with some degree of continuity. However, we have expressed our concern about the Bill itself. Following the discussions that were held today with Hon Jim McGinty, we have agreed to this course of action. Certainly, we still hold a lot of reservations about this Bill and seek to be part of the inquiry into the Bill by the Standing Committee on Legislation, and reserve our position to be able to oppose the Bill outright if there are matters that we do not accept following the committee's inquiry.

Question put and passed.

The DEPUTY PRESIDENT: We will move into Committee now for the purpose of completing the instructions that have been requested.

Committee

The Chairman of Committees (Hon George Cash) in the Chair; Hon Nick Griffiths (Minister for Racing and Gaming) in charge of the Bill.

The CHAIRMAN: Members, we are dealing with the Corruption and Crime Commission Bill 2003 having regard to the instruction that has been agreed to.

Hon NICK GRIFFITHS: Consistent with the purpose of the instruction, I move -

That the Bill, as committed, is to be divided as follows -

Proposed *Corruption and Crime Commission Bill 2003* -

Clause 1

Clause 2 - subclauses (1), (2)

Clause 3 - include A-CC, Commission, Commissioner, disclose, officer of the Commission, officer of the Parliamentary Inspector, Parliamentary Inspector, Police Royal Commission, public officer, public service officer, record.

Clause 6

Clause 7

Clauses 8-15

Clauses 16, 17

Clause 19 with the following amendment to subclause (2) -

Delete the words "Without limiting the Commission's functions under section 18,"

Clause 20

Clauses 151, 152, 153-156

Clauses 178-184

Clauses 186, 187

Clauses 188-195

Clauses 207-216

Clauses 217(1), (2) -222

Clause 223 amended as follows -

Delete the words "147 and"

Clauses 224-227

Clause 261(1)

Schedules 2,3

Schedule 4, clauses 8-17, 20

Title

Proposed *Corruption and Crime Commission Amendment Bill 2003* -

Clause 1

This Act may be cited as the *Corruption and Crime Commission Amendment Act 2003*.

Clause 2

As printed in committed Bill.

Clause 3

As printed in committed Bill.

Remaining clauses and schedules

Those clauses and schedules, or those provisions in a clause or schedule, that are not included in the proposed *Corruption and Crime Commission Bill 2003*, renumbered sequentially.

Title

An Act to amend the *Corruption and Crime Commission Act 2003*.

The CHAIRMAN: Members, the question is that the motion be agreed to. If the motion is agreed to, the Bill will be split as suggested by the minister.

Question put and passed.

Schedule 2 -

The CHAIRMAN: I understand the minister has an amendment or amendments to schedule 2 of the Corruption and Crime Commission Bill 2003 on supplementary notice paper No 203, issue No 1. The position at the moment is that schedule 2 has been inserted, and I understand the minister wishes to amend it.

Hon NICK GRIFFITHS: I move -

Page 164, line 26 - To insert after "spouse" -

or de facto partner

Page 164, line 30 - To insert after "spouse" -

or de facto partner

Amendments put and passed.

Schedule, as amended, put and passed.

Report

Bills reported and the report adopted, by leave.

Referral to Standing Committee on Legislation

HON PETER FOSS (East Metropolitan) [5.40 pm]: I move without notice -

That -

- (1) the Corruption and Crime Commission Amendment Bill 2003; and
- (2) the Corruption and Crime Commission Bill 2003

be referred to the Standing Committee on Legislation with power to consider each Bill and report such findings and recommendations as it thinks fit without any regard being had to the enactment of one of those Bills at any time during the period of referral. The committee shall have power to consider the policy.

By way of explanation, those extra words have been added at the end because we had asked for a pro forma second reading, and if those words were not there, we would not be able to consider the policy.

Question put and passed.

Leave granted to proceed forthwith to third reading.

Third Reading

Bill read a third time, on motion by Hon Nick Griffiths (Minister for Racing and Gaming), and returned to the Assembly with amendments.

MEMBERS' STATEMENTS

Carnarvon Gascoyne Flood Mitigation Plan

HON JOHN FISCHER (Mining and Pastoral) [5.43 pm]: I will raise several points about the Carnarvon Gascoyne flood mitigation plan. This report is far too extensive for me to be able to cover all the issues in the 10 minutes allocated, so I intend to cover only certain areas that severely impact on several of my constituents, and will have a long-term outcome for the development of the Carnarvon area. These are concerns about shifting areas of floodway relief channels from the Gascoyne River. The Gascoyne River mitigation plan put forward by Sinclair Knight Metz in their latest review has raised concern in several areas among some of the longer term residents of Carnarvon. These people have lived in the region for considerable periods, and have experienced many previous floods in and around the Carnarvon townsite. Therefore, they have a very creditable understanding of river flows.

One area that is causing considerable angst is the shift westward of the gazetted floodway running from the Great Northern Highway - Robinson Road T-junction, virtually parallel to the highway in a north-south direction past the Boor Street turn-off from the Great Northern Highway. This is generally referred to as the south east channel. This system has been marked as a relief floodway on maps of the area for much of the history of Carnarvon, but over the past 10 years the Carnarvon Shire Council has allowed building and infill on several lots that extend into this floodway system. The result has been to bow the floodway westward onto land that in the past has not been restricted, and has previously not been gazetted as floodway relief. The shire has lacked accountability in allowing building permits in this area. The end result of allowing blockage of this relief system is the redirection of escape waters westward onto previously un-flooded land. Two blocks that have been unfairly and adversely affected are lots 12 and 73 Robinson Street.

Serious issues need to be resolved before any further implementation of the Sinclair Knight Metz plans for Gascoyne flood mitigation. Quite obviously, once land is designated as floodway there are serious implications for what can be grown or built on those areas. If the shire is at fault - and it certainly appears that it is - in issuing building permits that result in redirecting flood water, the question of compensation to affected landowners must be considered. In the case of lot 73 Robinson Street, not only did the owners suffer the damage from the last serious flood that was exacerbated by the formation of the Boundary Road levee, but also they have now been landed with a proposal to gazette a floodway over part of their property as a result of the original floodway being bowed out in a westerly curve, due solely to the fact that the shire has allowed building to take place in the original flood relief system.

A series of maps produced over a period make it abundantly clear that this curve is a result of those building permits being granted in the original floodway. The imposition of this floodway will have serious ramifications for the usage of horticultural and commercial properties as well as an impact on land values. In the case of the land at 570 Robinson Street, I am led to believe that the land was purchased in June 1982 with no reference to or conditions about floodways. In fact, in 1984 a building application for a motel development was approved on this land. Unfortunately shires often find themselves in a position of lack of continuity as staff officers move on. However, the resulting effect should not be allowed to impose on the rights of taxpayers. This situation warrants the closest inspection from the Minister for Local Government, and the minister in charge of water and rivers. These are very serious concerns and must be addressed before any further major flood construction takes place. The destruction of livelihoods is threatened, as is any commercial decision by people who rightfully would expect to be able to use the land for the reasons for which it was purchased.

In the preliminary report, Sinclair Knight Metz mentioned that water sweeping through the floodways between Browns Range and the Boundary Road levee may cause substantial damage to commercial or residential properties. It also mentioned that incentives for removal of commercial and residential buildings from floodways should be considered. It has virtually been admitted that the land will be put at great risk. It will not be able to be used for the reasons the occupiers purchased it. The Sinclair Knight Metz plan, as it is now proposed, will run virtually all the overflow of the river west of the nine-mile bridge either through the Santa Rosa flood relief exit or the area I have mentioned previously between Boundary Road and the Great Northern Highway. There are very valid concerns that this area will not

adequately handle the volume and that it is forcing water to inundate land that has previously been flood-free. In my view, enough concerns have been raised to warrant an independent government-backed review of the Gascoyne delta to Rocky Pool, including the area in which the Boodalia channel is closest to the current Gascoyne River channel. As Sinclair Knight Metz has done all the previous work on flood mitigation, any miscalculations based on old data will only manifest as further levee banks are constructed. I am not implying that Sinclair Knight Metz has made mistakes, I am saying that the statistics of the river change continually and it would be prudent to have a second opinion. The catchment of the Gascoyne River is approximately 79 000 square kilometres and extends from 550 kilometres inland of Carnarvon. In a normal flood, up to 250 000 tonnes of soil is transported down the flood path. The proposals expressed by many long-term residents that water should be removed from the Gascoyne River before it reaches the plantation areas, thereby allowing for future expansion of the town and the horticultural areas, should be thoroughly tested and put to rest as a primary consideration. Many people in Carnarvon will be relieved if there is a second survey conducted with government backing so the figures used and often quoted - and disputed by many Carnarvon residents - can be checked thoroughly before the shire proceeds with the Carnarvon-Gascoyne flood mitigation plan as proposed by Sinclair Knight Metz. Since the installation of levee banks around the town many people have expressed the view that they merely move water from one area to another. It seems extremely unfair that people who have purchased land - many prior to the construction of the levee banks - will be imposed upon by the moving of floodways onto their property. In the case I was referring to in the south east channel, it is quite obvious that the change to the floodway channel has been brought about by the shire allowing buildings to be constructed in the path of the floodway.

Telstra, Adequate Services

HON PADDY EMBRY (South West) [5.53 pm]: I will touch on a few subjects tonight. The first is the topical sale of the remaining 50 per cent of Telstra Corporation. I am sure all members are aware of the uproar in Queensland. I will cover two aspects of Telstra: the Internet service and the mobile telephone service. The federal Government assured people that the remaining 50 per cent of Telstra would not be sold until there were adequate services in the country. I will advise the House of my personal situation with Internet services. My modem is capable of working at 56 kilobytes; however, the Telstra line forces my Internet service provider to break it down to 19 kilobytes. In spite of that, the service discontinues all the time; so much so, that its use becomes of marginal value. Regarding mobile telephones, the service is far from satisfactory in many areas. Coverage stops halfway up the Armadale hill on Albany Highway - hardly beyond the black stump!

I read recently that no additional telephone towers will be built in Western Australia in the next 12 months because so many towers were built during this year. I do not find the reason given adequate. First, the federal Government said the remainder of Telstra would not be sold until country services were upgraded to a service comparable to that provided to city-based Australians. Some people form their opinion of adequacy on how they are catered for. A number of mobile network towers have been erected in Western Australia over recent years. They should have been. Western Australia encompasses approximately one-third of the Australian landmass. The towers were built because they were needed. They were not built because they are pretty to look at. There is still a long way to go before adequate service in Western Australia is achieved. The Government and members of the Opposition should alert their federal counterparts, in particular the Prime Minister and Senator Richard Alston, to our situation. In the twenty-first century we should expect services such as mobile phone coverage to be adequate. Mobile phones have become a normal part of our lives, both for conducting business and social communication. They have become the norm.

Western Power, Adequate Supplies

Hon PADDY EMBRY: I suggest that Western Power also falls into the category of a reasonable expectation of an adequate supply in the twenty-first century. I will give two examples of where it is not adequate. My township of Wellstead is covered by a 20kVA transformer. It is nowhere near adequate. Western Power announced a long time ago that the township would be upgraded. It said it did not understand how the town could operate on a 20kVA transformer. It promised it would be upgraded by the installation of two 25kVA transformers. It has not happened. People were assured they would be installed by November last year. It is now nearly the end of June - seven months later. Nothing has happened. Inadequate power supply continues.

Abalone Farm, Bremer Bay

Hon PADDY EMBRY: I will quickly touch on the abalone farm at Bremer Bay. It is an investment made by the Hall family. The manager, Kelvin Hall, tells me that the family has invested well in excess of \$2 million dollars in the project so far. Only stage A has been completed; stages B and C are yet to commence. They are talking of an investment in the region of \$5 million to \$6 million. The family employs a number of people. When they put the proposal to government, Western Power was one of the agencies approached for approval. This family was guaranteed an adequate power supply of 200 kilovolts. Unfortunately, breakdowns in power supply in Bremer Bay have become so frequent that it is nowhere near adequate. It really is not fair when prospective proprietors approach a government agency and are assured they will have an adequate power supply only to find when they have invested money that the power supply is not adequate. It is misleading and it is nearly criminal. We have heard talk of decentralisation and investment in rural areas. This sort of thing does nothing to help.

Farmed abalone, as opposed to that fished from the ocean, is a potentially huge industry. In my locality of Cape Riche, a proposal has been on the books for some years. It is on the same powerline as that for Bremer Bay. People have no confidence in Western Power. These sorts of issues are related to a debate held a little earlier in this House, which was inspired by Hon Murray Criddle. These are the sorts of ventures that will generate millions of dollars, given the chance. This State and its agencies need to be instructed.

Recently at a meeting with Western Power, I was assured that it had no proposal to upgrade the power supplies to Bremer Bay. How can that body say that when it assured this family before they started the construction of their business that they would have an adequate power supply? Western Power needs to be held liable for this. It is not reasonable. We live in the twenty-first century and a reliable power supply is a reasonable expectation for people who live in semiremote areas. Bremer Bay is far from being beyond the black stump; it may be where the black stump is, but it is not beyond it. The town is growing. It is a very beautiful and wonderful part of the State. The town will grow. However, it will grow only if adequate power in particular is supplied to that region.

Bremer Bay is in the electorate of the Leader of the House. He is the minister responsible for that region. I find it very concerning that it is not part of my electorate. As the minister knows, I socialise in that area and I know people who live there. However, I find it alarming that, perhaps out of desperation, they approach me - a politician who represents another region - to see what I can do about their problems. I am the politician who lives in closest proximity to the area, so I guess that is natural, and I encourage them to do that.

Hon Kim Chance: In the past week I have had a meeting on this exact matter with all the shire councils in the south coast region, including those in your electorate.

Hon PADDY EMBRY: I am pleased to hear that, because it took five years for the Shire of Jerramungup to get a meeting with Western Power.

House adjourned at 6.05 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

SOUTHERN RAIL LINK, INTERPEAK LAY-OFF

752. Hon Peter Foss to the Parliamentary Secretary representing the Minister for Planning and Infrastructure

Train movements on the integrated Currambine/Armadale lines show that after the morning peak period, trains leave the system primarily by exiting from the northern line via Perth Central Station. When operations on the new Clarkson/Mandurah service initially commence, the Mandurah/Whitfords services will be 3-car consists and the Thompson's Lake/Clarkson services will be the older profile 4-car consists -

- (1) Will trains leave the system, for the interpeak lay-off, primarily by exiting from the northern line via Perth Central to be marshalled in the yards in East Perth?
- (2) Is it intended to preferentially withdraw the older or newer profile trains for interpeak lay-off?
- (3) In the morning two hour peak period, what percentage of commuters from the northern line will alight at Perth Central in lieu of the new William Street stations?

Hon GRAHAM GIFFARD replied:

- (1) No. Trains operating on the Northern Suburbs Railway and South West Metropolitan Railway services will be stowed at Nowergup and Mandurah during the interpeak layoff.
- (2) It is intended to deploy the rollingstock resources in the most effective way in meeting interpeak demand. Matching the travel demands on the various sections of railway will determine which trains will come out of service, eg 2,3,4 and 6 car sets.
- (3) None. There will be no services from the Northern Line to the existing Perth Central as all trains will go to William Street platforms.

DEPARTMENT OF CONSERVATION AND LAND MANAGEMENT, KIMBERLEY, CHARTER FLIGHTS

813. Hon Robin Chapple to the Minister for Housing and Works representing the Minister for the Environment and Heritage

With regard to Charter flights undertaken by CALM in the Kimberley region -

- (1) Will the Minister identify how many charter flights were used by CALM in the financial years 2001-2002 and 2002-2003?
- (2) Will the Minister identify -
 - (a) for what purposes those flights were used;
 - (b) on what dates did these flights take place; and
 - (c) were those flights used solely for CALM staff or did other agency staff accompany CALM staff on these flights?

Hon TOM STEPHENS replied:

- (1) 153 flights
- (2)
 - (a) Transport of staff to and from remote national parks, monitoring of fires, flora and fauna surveys, prescribed burning and other operations purposes.
 - (b) The accounting system records the dates relating to invoices rather than to the dates of the flights. Dates of flights can be extracted from other records. This will be done if the Member requests specific information about particular flights or dates.
 - (c) Flights were mainly for CALM staff, but staff of other agencies, volunteers and other people are carried on some flights where operational or Departmental reasons require this.

DAMPIER-BUNBURY GAS PIPELINE, MANAGEMENT AND MAINTENANCE

814. Hon Robin Chapple to the Minister for Housing and Works representing the Minister for Energy

With regard to the Perth to Bunbury gas pipeline -

- (1) Can the Minister outline what measures are in place to manage the Dampier-to-Bunbury gas pipeline for the years 2003, 2004 and 2005?
- (2) Can the Minister outline what measures are in place to deal with maintenance of the Dampier-to-Bunbury gas pipeline for the years 2003, 2004 and 2005?

- (3) Can the Minister outline what measures are in place to deal with failures of the Dampier-to-Bunbury gas pipeline for the years 2003, 2004 and 2005?

Hon TOM STEPHENS replied:

- (1) The management of the Dampier to Bunbury Natural Gas Pipeline is principally a matter for the pipeline owner and operator, Epic Energy. The Government does, however, have a role in ensuring the safe operation of the pipeline. The Department of Industry and Resources administers the licence conditions and safety aspects of the pipeline.
- (2) Similarly, maintenance of the pipeline is a matter for the pipeline owner and operator, Epic Energy, within the confines of ensuring the pipeline's safe operation. It should also be noted that in arriving at his Final Decision on the proposed Access Arrangement of the DBNGP, the Independent Gas Pipelines Access Regulator has accepted Epic Energy's forecast expenditure on maintenance for the period 2000-2005.
- (3) Epic Energy manages the operations of the DBNGP and deals with minor failures of plant, if they arise. Should an event occur, which results in a gas supply emergency, the Coordinator of Energy has the power to issue emergency orders under Schedule 3 of the Energy Coordination Act 1994. The Coordinator of Energy can make orders providing for the transportation of gas to or by any person and the control, regulation, restriction, curtailment, prohibition or termination of supply or use of gas by any person.

RENEWABLE ENERGY ACCESS REGIME, INTRODUCTION

817. Hon Robin Chapple to the Minister for Housing and Works representing the Minister for Energy

With regard to the renewable energy sector, the Electricity Corporation Act 1994, answered question No. 759 of Tuesday, April 1 2003 and the letter from the Minister to me read into Hansard on Tuesday, May 21 2002 -

- (1) In relation to question No. 759 does the Minister have concerns that unless there are regulations in place, that such concessional balancing arrangements are of little value to the renewable energy sector in acquiring capital funding for their enterprises?
- (2) If no to (1), why not?
- (3) Given that the Minister in his letter of Tuesday, May 21 2002 stated -
 'It is recognised that the time that has been taken for the development of new regulations for the basis on which renewable energy generators have access to Western Power's electricity network has taken longer than expected. This is primarily because of the need to resolve related issues associated with supply of stand-by capacity and purchase and sale of electricity by Western Power for energy balancing and part supply; and
 I am concerned to ensure that the new arrangements do provide what is intended and do not provide what might be called 'Claytons' arrangements. The arrangements will be protected from arbitrary decision making by Western Power.
 Will the Minister now instruct Western Power under Section 66 of the Electricity Corporation Act 1994 to implement an access regime for the renewable energy sector as indicated in this letter?
- (4) If no to (3), why not?
- (5) If no to (3), is this because the board is using provisions of Section 67 of the Electricity Corporation Act 1994 to block the Minister's direction?
- (6) If no to (3), will the Minister immediately introduce regulations to facilitate equity of access of the renewable energy sector to the grid?

Hon TOM STEPHENS replied:

- (1)-(2) The Government is committed to encouraging the development of renewable energy in Western Australia. However, the cost of balancing energy is only one issue impacting on the viability of renewable energy projects.
 The Government is now keen to ensure that any support for the renewable energy sector takes account of the broader issues affecting renewable generators, particularly in relation to the electricity reform process.
- (3) It is not presently intended that Western Power be directed under Section 66 of the Electricity Corporation Act 1994 to implement an access regime for the renewable energy sector.
- (4),(6) It is intended that new electricity market arrangements assist in facilitating the development of renewable energy projects in Western Australia. The draft renewable energy balancing regulations are currently being considered along with other possible support mechanisms for the transitional period until the new market is established. Preferably these mechanisms would be consistent with the new market arrangements.

This review is being undertaken not only because of the better understanding we now have of the likely arrangements in the new market, but also because of some concerns with the proposed scheme based on the balancing regulations, such as the cost of metering, which has been identified as an issue for supply to smaller customers. It is also hoped that it will be possible to develop a scheme that is simpler than that provided by the draft renewable energy balancing regulations, and so be of more assistance to renewable energy generators in seeking project finance.

Consultants have been engaged to develop transitional arrangements for the period up until the new market is established. Part of this work is the development of standby and energy balancing services that can be provided by Western Power and in particular how support can best be provided to the renewable energy industry during this transitional phase. It is planned to consult with industry once firm proposals have been developed.

While the delay in reaching a conclusion on this matter is unfortunate, the Government believes it is important to ensure that the final arrangements are effective in facilitating the development of renewable energy generation in Western Australia.

- (5) No direction has been given, and the board of Western Power is not using provisions of Section 67 of the Electricity Corporation Act 1994 to block any direction.

JUSTICES OF THE PEACE, RETIREMENT AGE, LEGISLATION

837. Hon Peter Foss to the Minister for Racing and Gaming representing the Attorney General

- (1) Is the Attorney General considering requiring, or introducing legislation to require, the retirement of Justices of the Peace who reach a specified age?
- (2) If no, did he propose such legislation and what was the response to such proposal?
- (3) In either case, is it his intention that a Justice of the Peace who retired in such circumstances be entitled to describe themselves in any manner as a Justice of the Peace and if so, in what manner?

Hon NICK GRIFFITHS replied:

- (1) No.
- (2) Yes. Legislation was proposed based on recommendations of the 1994 review of the role, responsibilities and powers of Justices of the Peace.

The Attorney General met with the President of the Association in April 2003 to discuss the retirement issue and the Association's views on the possible impact of this legislation on the community.

In light of the comment received, the Attorney General resolved to remove the proposed retirement clause from the legislation.

- (3) Not applicable.

KALGOORLIE CEMENT WORKS, E-MAIL WITH PHOTOGRAPHIC EVIDENCE

850. Hon Robin Chapple to the Minister for Racing and Gaming representing the Minister for Consumer and Employment Protection

I refer to an email with attaching photographic evidence dated May 14, 15 2003 sent to the Minister's office, copied to the Premier of Western Australia, from Mr Chris Right concerning Kalgoorlie Cement Works (KCW) operated by Mark Posa in Kalgoorlie Boulder and a press release dated May 1 2003 titled 'Major Crackdown on Dangerous Worksites and Dodgy Bosses' -

- (1) Can the Minister for Consumer and Employment Protection state the date on which this email with attaching photographic evidence was received in the Minister's office?
- (2) If no to (1), why not?
- (3) Has a serious and thorough investigation been undertaken by WorkSafe inspectors as of Friday, June 13 2003 onsite of all of the issues raised in the email referred to above with a view to prosecuting the owner operator Mr Mark Posa?
- (4) If no to (3), why not?
- (5) If yes to (3), what specific actions if any have been taken up to the date of Friday, June 13 2003?
- (6) Is the Minister and the Government serious about cracking down on dangerous worksites and dodgy bosses such as the KCW premises?
- (7) If yes to (6), can the Minister state when is this going to happen to clearly demonstrate to the owner that repeated dangerous, unsafe occupational health and safety work practices which endanger himself, employees and others are totally unacceptable?

Hon NICK GRIFFITHS replied:

- (1) 14 May 2003
- (2) Not applicable
- (3)-(5) A number of issues raised previously by Mr Right have been investigated by WorkSafe. A WorkSafe inspector will be going to Kalgoorlie to further investigate complaints raised by Mr Right.
- (6)-(7) WorkSafe is committed to improving occupational safety and health in Western Australian workplaces and taking appropriate action where breaches of occupational safety and health laws occur. WorkSafe has previously issued notices to Kalgoorlie Cement Works against breaches of the regulations.

KALGOORLIE CEMENT WORKS, UNSAFE WORK PRACTICES

851. Hon Robin Chapple to the Minister for Racing and Gaming representing the Minister for Consumer and Employment Protection

I refer to question on notice No. 796, May 15 2003 and the answer provided -

- (1) Is the Minister for Consumer and Employment Protection or WorkSafe attempting to cover up unsafe work practices being conducted at Kalgoorlie Cement Works by the operator in not providing clear, concise and free from argument answers to questions 1-10?
- (2) If no to (1), will the Minister ask WorkSafe as a matter of extreme urgency to avoid further delay to provide clear, concise and free from argument answers to all of the questions 1-10?

Hon NICK GRIFFITHS replied:

- (1) No
- (2) The answers previously provided by WorkSafe in response to the question on notice No. 796 adequately addresses these issues.

KALGOORLIE CEMENT WORKS, UNSAFE WORK PRACTICES

852. Hon Robin Chapple to the Minister for Racing and Gaming representing the Minister for Consumer and Employment Protection

I refer to an email I understand was dated/sent June 11 2003 from Mr Chris Right with further attaching photographic images and video evidence of unsafe, dangerous occupational health and safety work practices which was addressed to the Minister's office, copied to the Premier of Western Australia, concerning Kalgoorlie Cement Works (KCW) operated by Mark Posa in Kalgoorlie Boulder -

- (1) Has all of the video and photographic evidence provided in this email been urgently, thoroughly and carefully investigated onsite with a view to prosecuting the owner/operator for continuing dangerous, unsafe occupational health and safety work practices?
- (2) If no to (1), why not?
- (3) If yes to (1), can the Minister for Consumer and Employment Protection explain for each of the photographs depicted in the email and video evidence provided what was the outcome if any?
- (4) Has WorkSafe contacted the complainant to substantiate the dates of the photographs/images and to collect any other further evidence he may have concerning continuing unsafe, dangerous occupational health and safety work practices?
- (5) If no to (4), will the Minister request that WorkSafe undertake this to ensure a comprehensive, thorough and careful investigation to clearly prevent continuing unsafe, dangerous occupational health and safety work practices continuing at KCW?
- (6) Will the Minister or WorkSafe prosecute the owner/operator of KCW for any of the dangerous/unsafe occupational health and safety work practices depicted in the above email dated June 11 2003 or any others that may be identified by inspectors on site when an onsite inspection has taken place?
- (7) If no to (6), why not?

Hon NICK GRIFFITHS replied:

- (1)-(5) The email from Mr Right has been forwarded to WorkSafe, however, the video and photographic evidence attached to the email could not be opened due to a virus warning being issued. To enable WorkSafe to respond to Mr Right's complaints, an email was sent to Mr Right on 17 June 2003 inviting him to provide the video and photographic evidence directly to WorkSafe by mail.

Mr Right was also advised that, in accordance with workplace priorities, a WorkSafe inspector will be visiting Kalgoorlie and inviting him to take the opportunity to meet with the inspector at this time to discuss his complaints.

- (6) WorkSafe will investigate any new concerns identified by Mr Right and take appropriate action with respect to Kalgoorlie Cement Works.
- (7) Not applicable.

ABORIGINAL RESERVE 24574, KALGOORLIE-BOULDER, DRILLING

853. Hon Robin Chapple to the Parliamentary Secretary representing the Minister for Indigenous Affairs

I refer to question on notice No. 776, May 15 2003 and the answers provided -

- (1) Will the Minister for Indigenous Affairs table a copy of the scaled map depicting the drilling on the Aboriginal reserve?
- (2) If no to (1), why not?

Hon GRAHAM GIFFARD replied:

- (1) Yes. The tabled map indicates two drill holes, one located within the reserve and the other on the boundary, both of which are many years old. See tabled paper. [See paper No 1212.]
- (2) Not applicable.

KALGOORLIE CEMENT WORKS, UNSAFE WORK PRACTICES

858. Hon Robin Chapple to the Minister for Racing and Gaming representing the Minister for Consumer and Employment Protection

I refer to the Kalgoorlie Cement Works (KCW) operated by Mr Mark Posa in Kalgoorlie Boulder -

- (1) Is it correct that Mr Arthur Livock a WorkSafe inspector wrote a letter or a email which in part states 'John, I reiterate my latest report. Most pictures are several months or even years old (although not all). All issues have been addressed or are not our responsibility. Other issues are a can of worms, for instance does WorkSafe see itself taking action against employers and/or customers at a workplace if the customer walks in wearing thongs. Mr Right is very clever and very persistent by hanging his hat on every possible breach identified regardless of how minor regardless of the fact that some, like the warning sign being obscured, have been created by the employers attempts to reduce the nuisance that Mr Right complains about. I might also add that regardless of the action we may take, be that multiple prosecutions for a range of minor breaches, Mr Right will still continue to complain until either we stop responding or he achieves his goal of driving the business from the current address regardless of the justification.'?
- (2) If no to (1), will the Minister for Consumer and Employment Protection table a copy of the letter or email written by Arthur Livock?
- (3) Can the Minister state which specific pictures was Mr Livock referring to when he refers to '(although not all)'?
- (4) If no to (3), why not?
- (5) Can the Minister state why Mr Arthur Livock factually believes that 'Mr Right is very clever'?
- (6) Is Mr Arthur Livock a WorkSafe Inspector serious about following the Minister's and Premier's policy of cracking down on dangerous work sites and dodgy bosses?
- (7) If no to (6), will the Minister take action to discipline him?
- (8) If yes to (6), will the Minister or WorkSafe prosecute and take serious action to demonstrate that he is serious about cracking down on dangerous worksites and dodgy bosses particularly where the operator continues repeatedly with unsafe/dangerous occupational health and safety work practices in contravention of statutory legislation?
- (9) Can the Minister state what specific 'multiple prosecutions for a range is minor breaches' could be implemented or commenced against KCW?
- (10) If no to (9), why has Mr Arthur Livock made incorrect and misleading statements to other persons which cannot be factually supported?

Hon NICK GRIFFITHS replied:

- (1) Yes
- (2) Not applicable

- (3) Mr Livock was referring to a CD from Mr Right, received by WorkSafe on 9 May 2003. Contained in the CD were photographs of a safety warning sign and people wearing thongs on-site which Mr Right proposes were recorded since WorkSafe last visited the site. These were the only new concerns identified by the CD.
- (4) Not applicable
- (5) Mr Right spends considerable time and effort identifying and recording many alleged safety concerns at, and adjacent to, Kalgoorlie Cement Works. Mr Livock was commenting on Mr Right's skills in relation to this effort.
- (6) Yes
- (7) Not applicable
- (8) WorkSafe is committed to improving occupational safety and health in Western Australian workplaces and taking appropriate action where breaches of occupational safety and health laws occur. WorkSafe has previously issued notices to Kalgoorlie Cement Works against breaches of the regulations and a further visit to Kalgoorlie is planned.
- (9) No
- (10) Mr Livock's statement was made hypothetically in the context of comments contained in his email message.

KALGOORLIE CEMENT WORKS, BREACHES OF OCCUPATIONAL SAFETY AND HEALTH LEGISLATION

859. Hon Robin Chapple to the Minister for Racing and Gaming representing the Minister for Consumer and Employment Protection

I refer to the Kalgoorlie Cement Works (KCW) operated by Mr Mark Posa in Kalgoorlie Boulder and a email or letter written by Arthur Livock from WorkSafe -

- (1) Does Mr Right have a right to complain to WorkSafe about 'every possible breach' identified by himself regardless of how minor Mr Livock or any inspector may perceive them to be?
- (2) If no to (1), will the Minister for Consumer and Employment Protection clearly advise the wider public that they do not have a right to complain to WorkSafe about any possible breaches of statutory legislation given Mr Livock or others may simply just regard or perceive them as minor and of no consequence to occupational health and safety within the workplace?
- (3) If yes to (1), can the Minister explain why?
- (4) Can the Minister state the specific text of the section or regulation which covers the 'warning sign being obscured' at the KCW premises?
- (5) If no to (4), why not?
- (6) Can the Minister state what is the penalty if any for covering or obscuring warning signs under occupational health and safety statutory legislation?
- (7) If no to (6), why not?
- (8) Can the Minister state what is the specific purpose of employers having to erect warning signs at their premises for occupational health and safety legislation given that Mr Arthur Livock does not seem to be factually concerned that warning signs are obscured?
- (9) If no to (8), why not?
- (10) Does the Minister agree that it would have been very easy for the owner of KCW with minimal cost to simply place the warning signs on the outside of the tarp or in some other location so that employees or any visitors to the site can easily see them?
- (11) If no to (10), why not?

Hon NICK GRIFFITHS replied:

- (1) Yes
- (2) Not applicable
- (3) The Government and WorkSafe support the public responsibly reporting workplace safety breaches. WorkSafe, through its enforcement policy, establishes the appropriate response to any confirmed breaches.
- (4) Regulation 3.11 of the Occupational Safety and Health Regulations 1991 states that, where at a workplace there is a hazard that may not be readily apparent to a person entering, or working in, the area, then the employer must ensure a sign relevant to that hazard is displayed.

- (5) Not applicable
 - (6) A penalty of up to \$25,000 applies for an employer who fails to comply with the relevant regulation.
 - (7) Not applicable
 - (8) The specific purpose of erecting warning signs is answered in the response to question (4).
The warning sign was temporarily obscured by a tarpaulin in good faith by Kalgoorlie Cement Works in an effort to address a previous concern reported by Mr Right to WorkSafe in relation to spray drift emanating from the site.
 - (9) Not applicable
 - (10) Yes
 - (11) Not applicable.
-