

ROAD TRAFFIC AMENDMENT BILL 2003

Second Reading

Resumed from 23 September.

MS K. HODSON-THOMAS (Carine) [7.39 pm]: The Opposition supports the Bill. However, it has some reservations.

Mr J.J.M. Bowler: You have disappointed me already.

Ms K. HODSON-THOMAS: I have? My reservations stem from my concern that the legislation has been brought before the Parliament before the research relating to the Bill has been conducted. I will talk further to that in due course. As I understand it, the Bill will provide a mechanism for the Government to sell and lease private numberplates. The Bill will also validate the issuing of personalised and existing numberplates. The option of leasing private plates will be afforded to motorists who might seek to lease plates, particularly at the top end of the market. As I understand it, the minister has put out to tender some marketing research to work out what is the top end of the market. People can currently purchase personalised plates. I have an example of the custom plates application form needed to be obtained from the Department for Planning and Infrastructure. It requires people to provide owner and collection details and a declaration. The form states that the custom series comes in more colours than there are colours in the rainbow.

Mr D.A. Templeman: What about grey?

Ms K. HODSON-THOMAS: Is that a colour of the rainbow?

Ms M.M. Quirk: Safe for children?

Ms K. HODSON-THOMAS: I am sure it is safe for children. The custom series includes black on white, green on white, blue on white, red on white, white on orange, white on dark brown, blue on black, white on olive green, white on dark green, white on blue, white on dark blue -

Ms A.J. MacTiernan: Is the member attempting to pad her speech with the various combinations?

Ms K. HODSON-THOMAS: Would I do that? I will not discuss the conversation I had with my colleagues before I began to speak. We were actually talking about Princess Margaret Hospital for Children and charities and the importance of those organisations having the ability to fundraise through custom series private plates. There are other styles available: slimline series, personalised plates, blue series, sporting clubs series and retro series. To be more serious, I will return to the point I was making. I understand the minister has put out to tender market research for the proposal to provide further personalised plates. The market research will determine what the market is prepared to pay and what products the market is seeking. In other parts of the world, the marketing of personalised plates is moving in leaps and bounds. People in Western Australia are able to obtain private plates that range in cost from \$86.50 for personalised plates to \$110 for slimline classic, retro white or sporting club plates to \$160 for slimline prestige or retro black plates. As I understand it, this legislation will provide people with the opportunity to lease private plates, particularly at the top end of the market. People who would not otherwise be able to purchase private plates can use this option.

Concern has been expressed to me from the outset about this legislation. Some members of the community were concerned that the minister would impose a levy on personalised plates. I put on record that that is not my understanding. In fact, people will still be able to purchase private plates. This legislation provides community members with the opportunity to lease plates at the top end of the market.

I may not have made an earlier point clear. I understand the minister's department is conducting market research to determine the products that people are prepared to pay for and how much they will pay. Queensland has already gone down that path. It has a system called personalised plates Queensland - PPQ - which has been in operation since 1997. Apparently its plate business has gone from strength to strength and sales have increased from \$3 million a year to about 10 million a year in 2000-01. I understand from the second reading speech, which the Leader of the House made in the minister's absence, that the minister is proposing an income stream in the vicinity of \$10 million by the sixth year. It is not my intention to go to the consideration in detail stage on this legislation. Therefore, I hope that the minister will be able to tell me at the third reading stage how that income stream is proposed over the next six years. I understand from the briefing we received that there is an intention to put it out to private tender and that a private entity will market and sell these private plates, as is done in Queensland. Perhaps the minister can elaborate and explain how much that private entity will be paid and when she envisages that happening. I understand the market research has been put out to tender. The minister is not anticipating that that information will come back until Christmas time, and, yet, we are bringing

the legislation into the Parliament before we know what the market is prepared to pay for these private plates. Perhaps the minister can comment on all those matters at the third reading stage.

I made some comments about community concern that if an individual owns a plate, he or she might have to pay an annual fee. I understand from reading *The West Australian* on Thursday, 29 May -

Ms A.J. MacTiernan: That incredibly reliable source of information!

Ms K. HODSON-THOMAS: I know that the minister thinks that that is the only place in which I do my research but I assure her it is not. However, that is what the community reads. Members of the public then ring my office and say that the minister is going to impose an annual levy for their private plate.

Ms A.J. MacTiernan: I am not disagreeing with the member. If *The West Australian* can put a negative and inaccurate spin on the story, it will. That is a clear example of that. The member is glancing up to see whether there is a person from *The West Australian* in the gallery.

Ms K. HODSON-THOMAS: No, I am glancing up to the sky hoping that the minister will realise that this is where the community gets its information from.

Ms A.J. MacTiernan: I am in furious agreement with the member.

Ms K. HODSON-THOMAS: Okay. The community believes that the minister will impose an annual fee on them. I am not opposing the legislation but I have some concerns that the minister is conducting the market research after bringing the legislation into this place. It would have been better to conduct that market research beforehand. I understand that the Department for Planning and Infrastructure has already embarked on some study, and has seen what is happening in Queensland, to determine what can be done in this State to promote this scheme. Private plates are great! I do not have one and I do not have a desire for one. However, it is a great thing for those who choose to have a private plate or for those who have a unique vehicle onto which they want to stick a private plate. I make it clear that it is good to know that it is not the Government's intention to impose an annual fee on those people. However, it will provide the Government with an opportunity to lease plates at that top end for owners of unique vehicles and for people who choose to lease a vehicle for five years and then on sell the vehicle. I point out to the minister that that is where people get their information from.

Ms A.J. MacTiernan: It is tragic. It is no wonder society is in the state it is in.

Ms K. HODSON-THOMAS: That is an interesting interjection. As I understand it, the minister started her career as a journalist.

Ms A.J. MacTiernan: No.

Ms K. HODSON-THOMAS: Did the minister not have her own newspaper?

Ms A.J. MacTiernan: I did own my own newspaper; I was a media mogul.

Mr P.G. Pendal: She was as good at that as she is at planning railways.

Several members interjected.

Ms K. HODSON-THOMAS: Getting back to the railway! We will not go back there.

Mr D.A. Templeman interjected.

The DEPUTY SPEAKER: The member for Mandurah!

Ms K. HODSON-THOMAS: The Government will put the market research out to tender. That will establish the lines of products, price structure and the product range. It is the Opposition's view that that research should be made public. I hope the minister will give a commitment to make public that market research that is going out to tender.

The minister's second reading speech made interesting reading. She said that the funds raised by this Bill would be used for licensing centres. Probably all members have a story about licensing centres. In a report into licensing centres, which was released in April 2003, the Auditor General had interesting things to say about them, particularly the call centre. I was reflecting on that report today. I know about licensing centres from my own experience and from information that people have provided to me. I hope the money that is generated from this Bill will be spent on making those licensing centres better.

One of the biggest complaints about licensing centres is that they do not provide EFTPOS or credit card facilities for people to pay for drivers licences and car registrations etc. I hope that the funds raised from this Bill will be allocated to licensing centres and that the minister will promote better customer service. That is a crucial part of this Bill.

I note that in her second reading speech the minister said the Government would provide the money raised from this measure to licensing centres. She also said that, as a government priority, some of the money would be spent on education and health. Frankly, if the Government raises money from motorists, it should go back into licensing; it should not be spent on education and health. Although they are government priorities, the taxes the Government raises from motorists should be spent on providing good services for motorists, including EFTPOS facilities at licensing centres, and better customer service.

I understand that the Government intends to outsource the marketing and sales of personalised numberplates. Perhaps the minister can expand on that. The Queensland Government has gone down that path. It has entered into a joint enterprise agreement with Personalised Plates Holdings Pty Ltd. It has an incentive-based call centre, which handles about 70 per cent of plate sales. It employs three sales representatives who promote the products to and support the plate sales activities of a large number of vehicle dealerships. These representatives also pursue leads from companies that express an interest in corporate fleet plates. It provides a variety of colourful theme-based plates. One particular set of plates retails at \$1 895. I imagine that this is the top end of the market that has been referred to on a number of occasions. All its sales proceeds go towards road safety initiatives in Queensland. I would certainly support that happening in this State, but I understand the money will go back into licensing, health and education. Perhaps the minister will expand on that.

It is claimed that in six years \$10 million will be raised from leasing personalised plates. I am hard-pressed to work out how \$10 million will be raised in six years. Perhaps the minister can provide me with a little more detail on that matter. I know that the New Zealand model is very different from the Queensland model. I understand that, in comparison with other States, Western Australia probably has the lowest prices for custom plates. Perhaps if the minister takes some interjections in her second reading summation to provide me with some clarification, we will not need to go into consideration in detail.

MRS C.L. EDWARDES (Kingsley) [7.57 pm]: I rise to ask the minister some questions, and hope that she will kindly respond to them in her second reading response. Primarily, my concern is that the second reading speech is all about money. It is all about some money going back into the public sector to carry out respective functions, some of which are to improve the licensing regime in regional areas. The first issue is that the minister has said that the Government can do this on the basis that the consolidated revenue fund does not have to fund it and that there is another way of funding it. It should be done in any event. The Government should not have to come up with schemes to make money to pay for services that government should carry out in any event. Secondly, how will it operate? Currently people can buy numberplates and transfer them to others. That will still be permitted under proposed section 113(1)(c), which will permit one person to transfer to another the right to use optional plates. Proposed subsection (3) refers to a scheme that may be designed to be operated commercially. Several schemes for optional numberplates will be available. A scheme may be designed to be operated commercially, but the sale of the rights allocated is to be by public auction or public tender or, if the Treasurer authorises the sale to be by private treaty or any other means, by the means authorised, and any other charge under a scheme is to be prescribed in the regulations. Under a scheme, the person who purchases the plates loses the rights to those plates. Will the person lose the rights to those plates? At the moment, if a person wishes to create a plate, which he or she does not want anybody else to have, that person has those plates. People who create a numberplate that attracts some value because of its wording or because of the car to which it belongs and so on then have an asset that can be on-sold at a profit, which goes to the plate owner, not to the State. The schemes in this Bill will give the Government any extra money that is made. What is the limit on the commercialisation of these plates and what sorts of schemes are we talking about? Will a limitation be put on these schemes? Will there be another "State of Excitement" type of scheme? Are those schemes that were developed by previous Governments the schemes that the minister referred to in the second reading speech? Western Australia has not developed that sort of scheme commercially. The Princess Margaret Hospital for Children Foundation and charitable organisations such as Rotary clubs have developed their own optional numberplates.

Mr M.F. Board: And footy clubs.

Mrs C.L. EDWARDES: Yes, and football clubs. Those organisations use the funds from the sale of plates to assist in their fundraising activities. The Princess Margaret Hospital for Children Foundation runs an excellent operation. Such organisations are dependent on those funds. Will this scheme impact on the ability of other charitable organisations to develop their own scheme? Is that what is regarded as commercialisation? Will such charitable organisations be separate from commercial operations or will they fall under the public tender or treaty-type process? I ask the minister to explain by way of response how the scheme will operate practically, which response I am sure will satisfy the Opposition.

MR M.F. BOARD (Murdoch) [8.01 pm]: I have the same concerns as the member for Kingsley. The shadow Minister for Planning and Infrastructure has put the Opposition's view in support of the Bill. However, in reality

the Opposition has grave concerns that the Bill is about taxation. It is a revenue-gaining exercise at the expense of people's lateral thinking, their freedoms and their ability to express themselves and advertise, whether those people be part of a company or an association or whether they be people who endorse themselves and what they are about through the promotion of a numberplate.

Neither the second reading speech, the notes nor the Bill indicate clearly the Government's full intention. There are a lot of unanswered questions about the extent to which the Government wants to control people's initiative in creating numberplates. If I came up with a great concept that took off and had some value, would the Government take ownership and on-lease that concept? If Western Australia had a Rugby World Cup numberplate and Australia won the Rugby World Cup, would the Government control that plate and lease it to anybody who wanted one? Will the Government control the numberplates of the West Coast Eagles or the Fremantle Dockers? What control does the Government want? It is unclear in the definitions, in the notes and in the Bill. If the Government is about totally controlling and owning a good concept or marketing idea so as to make money out of it and deny people that opportunity for the sake of a taxation grab, it will impinge on free enterprise, on people's liberties and on their self-expression. Although the Opposition supports the idea of the Government raising revenue from optional numberplates and understands the concept, it is concerned about the extent of what is proposed because it is unclear in the legislation. We hope that in her reply the minister will clarify those issues without the need to explore it in the consideration in detail stage.

Some people have been very clever about the names they have on numberplates. We need only drive down the freeway today to find optional numberplates on cars with the name of the car model written on them. An owner might have registered an optional numberplate containing the name of a car model, which someone might want to purchase.

Ms A.J. MacTiernan: That takes a lot of thinking: "Oh, gosh, I think I'll get a numberplate with 'MONARO' on it." It would take a lot of intellectual property!

Mr M.F. BOARD: The minister is demeaning people's initiative. The reality is that people design numberplates like that and other people pay a price for them. The Opposition wants the minister to clarify the Government's precise intentions so that we know what control it will have over people's initiative and creativity without them being taxed for it. If the minister satisfies the Opposition on that point we will not go into the consideration in detail stage.

MS A.J. MacTIERNAN (Armadale - Minister for Planning and Infrastructure) [8.07 pm]: I thank the Opposition for what I think is its support of this Bill. This is win, win legislation. It allows the public to indulge itself in creating and purchasing all sorts of fancy numberplates and to acquire and display a far greater range of numberplates. As the member for Carine pointed out, based on the situation in the eastern States, there seems to be no end to punters' appetites for diversity. The member for Carine very helpfully listed a series of possible colour combinations that could be included on numberplates. It is clear that this legislation will enable enhancement of a service for which there is clearly an enormous public appetite. We could even consider producing numberplates with variable colours. The member for Carine could have a blue numberplate to go with her nice blue outfit and so on! The possibilities are endless.

Mr D.A. Templeman: There could be a neon numberplate à la Nedlands!

Ms A.J. MacTIERNAN: Yes, a sort of pinky one, but blinking out occasionally! The member for Mandurah would have plates with the initials "FDR" standing for "FAST DIRECT ROUTE"!

Ms K. Hodson-Thomas: He could lease it while he is the member for Mandurah!

The ACTING SPEAKER (Mr Dean): Members, I am feeling left out of this conversation!

Ms A.J. MacTIERNAN: The same applies to Bunbury. A plate could contain "AUSTRALIND 1", for example. There are all sorts of possibilities.

It has been suggested that somehow or other this is a surreptitious tax - an attack on vigorous free enterprise promoted, allegedly, by the member opposite.

Mr M.F. Board: You haven't explained how it will work.

Ms A.J. MacTIERNAN: I will get to that; I am referring to the member for Carine's contribution. She is right; the reportage on this matter in that esteemed journal *The West Australian* could easily lead the public to falsely believe that people who had already acquired plates would be hit with some sort of levy. It was an absolutely stupid article, if I may say so, in case our good friends from *The West Australian* are listening. There is no intention to retrospectively change the rights of persons who have purchased plates. Nor do we anticipate imposing such a levy on people who buy plates in the future. The member for Carine has rightly identified that annual charges are for those people who lease a plate rather than purchase a plate. We anticipate that approximately 80 per cent of special plates will continue to be purchased - plates like "KATIE 1", "COLIN 2" or

“ABC”. As much as Katie is a wonderful name - “KATIE HT” - those sorts of plates will be available for purchase. I know the member for Murdoch thinks it is very creative when someone comes up with the idea of getting a Holden or Alpha numberplate, but we will have to agree to disagree on the amount of intellectual endeavour that goes into making that decision. The sorts of plates that we regard as potentially valuable are “LEXUS”, “FORD” - those potentially high-value collectable plates. I am not into this sort of thing. What is another famous car brand?

Ms K. Hodson-Thomas: “FJ HOLDEN”.

Mrs M.H. Roberts: “CORVETTE”.

Ms A.J. MacTIERNAN: It could be “CAPRICE 1”.

Mrs M.H. Roberts: My chief of staff would definitely be an Alpha man.

Ms A.J. MacTIERNAN: “ALPHA ROMEO”! This car talk really gets the troops going. Other names may be considered to be of high value and tradeable, and many people will want them. They are the sort of plates that we would anticipate leasing.

Mr M.F. Board: Are they not commercial names? Are you going to take ownership of someone else’s commercial name and sell that on?

Ms A.J. MacTIERNAN: We would not be infringing anyone’s copyright. Any decision by us to release those plates would have to be subject to -

Mr M.F. Board: You just said “FORD”.

Ms A.J. MacTIERNAN: It would be subject to recognising and acknowledging any copyright or trademark protection that any corporation has over those words.

Ms K. Hodson-Thomas: In essence, a person could actually purchase that plate and own it outright, but would there be a choice?

Ms A.J. MacTIERNAN: No. We will make a decision about certain plates that we consider to be of high value and that we want to retain in the marketplace to ensure their tradeability; they will be the sorts of plates that we will attempt to lease. Some people may think that is unfair - I cannot understand that - but it will mean that people with a wider range of incomes will be able to participate, because by leasing rather than purchasing, those persons of more modest means, but dubious taste, will have a chance. We anticipate that approximately 80 per cent of those sorts of plates will still be available for sale. Concerns were raised about charity plates or football club plates. The arrangements for those plates will remain very much as they are at the moment. I have purchased very attractive Demon plates.

Mr P.B. Watson: They go very cheap, minister!

Ms A.J. MacTIERNAN: They do this year, but those of us who can see great things into the future know to buy up big now and corner the market. Then we should sell at the top. That reminds me that I owe the member \$10. He should remind me while I have my bag with me.

Whether they be Melbourne Football Club plates or Princess Margaret Hospital for Children charity plates, the arrangements will continue as they are now. They are available for purchase, and an agreed amount of the purchase price is paid back to the organisation promoting that plate. This will not in any way interfere with charity plates. The member for Carine had an interest in whether the marketing arrangements would be outsourced. There are a number of different models; the Government has not made any decision on it. In Queensland the plates are completely outsourced while in Victoria they are completely in-sourced. We want to see what the best fit is for Western Australia. Some hybrid arrangement may be available. That work is continuing. I was a bit surprised by the member’s comment that we should have had the market research finished before we went down this course and set up the structures. Obviously, the Government wants to know precisely what it will have the legislative imprimatur to do before completing that work. This is enabling legislation that will take it beyond doubt that the Government has the power to act.

Ms K. Hodson-Thomas: I only made that comment because other legislation should take priority. It is interesting that you brought the legislation in while the market research is still being undertaken. That is the only point I am trying to make.

Ms A.J. MacTIERNAN: That is precisely because it is empowering legislation. This stuff has been talked about for years. We are getting on and doing it. The Leader of the House was happy to support the legislation moving forward because he understood that it had bipartisan support and would move quickly.

Ms K. Hodson-Thomas: When did he find out that it had bipartisan support?

Ms A.J. MacTIERNAN: I think it was when the member for Carine said that it would take only 10 minutes. Normally, we presume that if the Opposition is opposing something, we can expect that the debate will be a little more vigorous. It is a very positive piece of legislation. Of course, it raises revenue for the Government, but that is revenue for the public. We should not be ashamed of that.

Ms K. Hodson-Thomas: Does it mean that the public will get improved licensing centres?

Ms A.J. MacTIERNAN: I will go on to that. The member is quite correct in identifying that there have been problems in the funding of licensing centres, and I certainly do not resile from that. In fact, those problems started to become evident in 1994, when licensing moved across from the police to the then Department of Transport. It was never adequately structured or funded. Since the Labor Party came to government, it has been grappling with this problem. I know that the Minister for Consumer and Employment Protection and the Attorney General, who are both members of the expenditure review committee, are very cognisant of the need for the licensing services to be put on a more stable funding footing. No doubt that is one of the reasons they are supporting this legislation. We have committed an extra \$5 million to complete the transport electronic licensing information system. That project will provide an up-to-date information technology system for licensing and will go a long way to resolving some of the problems of the licensing centres. I give full credit to the management and staff of the licensing centres, who have worked very hard to improve their performance. We are now getting much better performance from the licensing centres. Obviously the more we can do to improve the database, which is what TRELIS will do, the easier their job will be. I agree with the member that complaints have been made for many years about the absence of EFTPOS and credit card facilities at licensing centres. I have given directions that those facilities are to be instituted, but in order to do that we will need to wait until TRELIS has been completely rolled out. Hopefully that will happen by the end of the year.

I take pride in the fact that we have done a fair bit to improve the regional licensing centres. I commend to the member for Carine that on her travels around the State she visit our magnificent new combined facility in Broome. There is also a new facility in Bunbury. The member for Albany is nodding his head. We are looking at the situation in Albany. Kalgoorlie is certainly one that we are hoping to resolve shortly. The jewel in the crown is Geraldton. The member for Geraldton is not here, but the Geraldton building, which is lovingly known in the department as the chook shed for the department of poultry inspection, provides first-class vehicle licensing facilities. In the almost three years that we have been in government we have made real progress in improving the regional licensing facilities by combining the transport portfolio and the planning portfolio, which has proved to be a very positive move in those regional centres. It is very much a work in progress. I agree that sorting out vehicle licensing is one of the challenges that we are tackling. We are not yet there, but solid progress has been made. I hope that our capacity to generate these funds will assist us to continue to provide those enhancements.

I think I have addressed all of the member's concerns. As the member knows, there is no intention to levy a fee on people who own a plate. We recognise the shortcomings in the licensing system and are making solid progress on remedying those shortcomings. Charity plates will continue to be available under the same financial arrangements. We have yet to determine whether this will be outsourced or handled in-house. It is likely that we will develop some sort of hybrid model.

Ms K. Hodson-Thomas: Are you prepared to make the market research public?

Ms A.J. MacTIERNAN: I will obviously need to take advice on that, because we want to conduct a commercial operation, and the release of that information may impede that. It is a question of how we can maximise the return to the taxpayer. That should not be perceived in any way as a negative. I thank members for their contributions. I hope we can get this legislation through and see many more interesting numberplates in the Parliament House car park.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate, and passed./transmitted to the Council.