

REGIONAL DEVELOPMENT COMMISSIONS AMENDMENT BILL 2001

Second Reading

Resumed from an earlier stage of the sitting.

MR SWEETMAN (Ningaloo) [2.41 pm]: When I was granted leave to continue my comments, I was speaking about the politicisation of development commissions. Sometimes politicisation is not an intrusion from or by members of Parliament. During my dealings with a couple of development commissions - particularly the Gascoyne Development Commission - I have found that they can in themselves be politically cute. A development commission should be unashamedly pro-development. If political sensitivities or politics are to be superimposed over some of the issues that development commissions deal with, the shire or local members of Parliament have the opportunity to introduce politics into the equation. The fact that development commissions are sensitive to criticism and sensitive to different sections of industry and are concerned about development issues that may or may not impact on their business one way or the other in the short term or the long term are not reasons for the commissions to back away from pursuing regional development.

A classic example in the Gascoyne region, which the development commission has treated with some indifference, is the Rocky Pool development. Rocky Pool is potentially a \$40 million to \$80 million broadacre horticultural development just waiting to happen. I applaud the previous Minister for Water Resources for spending a lot of time and energy encouraging the Water Corporation and the Water and Rivers Commission to investigate and find more water to secure the existing horticultural industry adjacent to the town of Carnarvon to ensure its long-term viability and offer greater drought protection. We believed that was fair to the existing industry, but we were also trying to develop a resource that would offer some alternative development. The existing industry uses approximately 11 or 12 gegalitres of water a year. We believe that basins A to L in the Gascoyne River and the Rocky Pool aquifer will ultimately produce something like 30 to 40 gegalitres of water, which would allow some water for greater drought protection of the existing industry and also free up a significant resource for a new greenfield development.

One of the first pieces of advice I offered to the current Minister for the Kimberley, Pilbara and Gascoyne was that at this early stage of government he should look seriously at that development. It is a massive opportunity and, while the existing horticulture industry has expressed concern about the proposed development, it is opposed to the development almost outright on the basis that it believes the new development will deprive the industry of its current markets. That is a problem for the horticultural industry which is totally dependent on the domestic market. Other industries around Australia are able to supply into markets that were traditionally controlled by local industries without competition from across the border. That is no longer the case. Distance is not a problem. Airbag suspension on trucks and the like make long-distance travel, even for the most delicate of horticultural produce, not much of a problem. Produce can be delivered ex-farm gate to local markets at very low unit rates. Industries that grow on a broadacre basis receive very cheap allocations of water in New South Wales, South Australia and Queensland. My growers have traditionally paid more for their water because it is such a scarce resource. Over a period those markets have been taken away from my growers.

The horticultural industry in my area has traditionally produced between \$30 million and \$40 million of produce a year and it has done that now for 12 to 15 consecutive years. The industry has plateaued. We all know what happens when industries plateau: in real terms they are going backwards. I am concerned that my industry will become less significant in the mind of this Government. This greenfield development at Rocky Pool will in a short time - between five and eight years, I believe - more than double the output of horticultural produce in the district. That offers great strength and stability not only to this region but also to the existing horticultural industry through export opportunities. We already know that if we can produce greater volumes from the Gascoyne region, we can lock into markets in South East Asia in particular for extensive periods of the year.

I have encouraged the Minister for the Kimberley, Pilbara and Gascoyne, who is in charge of the Gascoyne Development Commission, to give this issue some priority, regardless of the concerns of my growers. The minister has to look beyond that and see what is in the best interests of the industry and Carnarvon in the long term.

Members have had preliminary discussions or debate on the Electoral Amendment Bill. The reality is that my electorate is shrinking, similar to Eyre, Kimberley and Pilbara, and one of the reasons is that the viability of industry is not collapsing but is certainly shrinking due to rationalisations and efficiencies that are being introduced into industries these days. We have to do everything we can to ensure that we stabilise what we have and stop the drift from country areas to the city.

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Ministers must persuade the development commissions that they cannot be sensitive to development issues. Those issues must be put up warts and all, and the commissions have to be unashamedly pro-development. Political sensitivities are the responsibility of the local shires, local members and State Government.

Another problem the Government has to be aware of with development commissions is that there is often tremendous rivalry between commissions and other government agencies. Western Power, the Water and Rivers Commission, the Department of Agriculture and the Department of Transport often see themselves not in cooperation with development commissions about a lot of issues but in competition. Those agencies are generally frustrated when they see the development commissions being over-resourced. We often end up with an absurd set of circumstances in which a development commission undertakes an inquiry via a consultant or whatever that would normally have been within the jurisdiction of other government agencies. Research and development issues and the opening up of tracts of horticultural land are tasks that should be given to the more traditional agencies - for example, the Department of Agriculture - rather than the commissions using the expertise of consultants when the knowledge is available within other agencies of government. There is little rapport between development commissions and government agencies because of the antagonisms and suspicions that exist between them. The commissions were set up to be one-stop shops. The idea was that if people had an initiative for a development, instead of pedalling through the dozen or so government departments involved in the approval process, they could simply toddle off to the local development commission, which would take care of a lot of the leg work. It simply does not happen like that. If someone comes along with a development initiative, the commission will take it on, but often the process it goes through is counterproductive to the development. Development commissions often unearth difficulties that perhaps would not normally be encountered in a normal approvals process.

It also is no coincidence that the reluctance of people to be involved in local government parodies the rise in development commissions. A development commission has a board appointed to it which spends about 60 per cent of its budget on recurrent expenditure and the rest on projects. Most people in regional WA would want to get their hands on half a million dollars, \$1 million or \$1.5 million, or whatever, to allocate to their pet projects around their town or region. Appointment to a commission board places one in an enormously powerful position. Board members get job satisfaction from that when it involves setting up a chamber of commerce, a main street party or a business expo. They get the privilege of seeing projects come to fruition because they are allocating the money - \$25 000, \$40 000 or whatever - to make them happen. Ironically, the very projects for which board members and communities believe they got some value are projects from which commissions are now stepping back.

I attended the last board meeting of the Gascoyne Development Commission in the town of Denham in Shark Bay. Because of government cuts - a priority dividend that is being demanded from all government agencies - that commission is now cutting back on those sorts of projects. Their allocations to the Chamber of Commerce, main street parties and business expos are going. They were the very projects that provided tangible evidence that the commissions were doing something in their communities. The commissions are getting back to what they call core issues.

I caution the Government that getting back to core issues appears to mean that one simply goes out and gets more consultants. If the Government examined the amount of money that has been spent in consultancies for a period, I am sure it would find that a disproportionate amount of those consultancy budgets were allocated to development commissions. Because commissions are multifunctional and multi-jurisdictional, they cannot employ all the people they need to cope with the range of issues they have to deal with; therefore, they employ consultants. The employment of consultants should be a last resort. The development commissions should work in tandem and in cooperation with other government agencies to try to achieve certain results.

In concluding, I shall touch on other difficulties that have arisen. I spoke about the difficulties encountered in dealing with local government and the reason that I believe the commissions have contributed to some extent to the unattractiveness of involvement in local government. I shall take that matter a little further because in the past couple of years the previous minister tried to address this anomaly by giving local governments greater representation by increasing the number of members on boards to accommodate other local government representatives.

The President of the Shire of Exmouth, Mike Purslow, is a terrific fellow who does a great job for his community. I cannot heap enough praise on the way Mike handled issues during cyclone Vance and the way he helped his community recover from it. Mike has now been appointed Chairman of the Gascoyne Development Commission. He retains his position as President of the Shire of Exmouth. Members might say that that is all very well. However, to me, that creates some serious conflicts of interest sufficient to require the Government's

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consideration. If local government is to have representation on commission boards, should that representation be as chairman of the development commission?

I shall give the House an example. The development of Mauds Landing at Coral Bay is a hot issue in my electorate, as I believe it is in the city. Members of the community of the Shire of Exmouth hold definite views on Mauds Landing - they do not want it. However, the commission has historically supported the Mauds Landing development. There is, therefore, a difficulty here and something must give in that situation. Either the shire president should retain his position as the Chairman of the Gascoyne Development Commission board and step down from the shire presidency, or vice versa.

Equally, dealing with other conflicts of interest, the development commission has been responsible for establishing and providing initial funding to a growers' peak body in Carnarvon. I will not go into the politics of that body, but I can tell members that it does not have broad growers' support. Growers did not want that model, but the development commission and a few other people in the community decided to set up a growers' peak body. One of the guiding principles in that body's manifesto or constitution - whatever it issued - is that it would be free of politics and would exist, among other things, as a political lobbying body. The first thing it did was appoint the Minister for the Gascoyne, Hon Tom Stephens, as its patron. That is absurd with some serious connotations. That peak body will be dependent upon drawing funds, apart from the modest subscriptions from the people it represents, from the Gascoyne Development Commission, particularly in the short term, and I believe in the medium term. I assume, if the minister is the patron of this peak body, it would be in his interests to ensure that it does not fall over because that would not look good for him. Again, what I am saying is that I believe it compromises the GDC, its board and its primary functions. The Government may take on board some of the points I have made, for what they are worth. Many issues are at work in our communities in relation to regional development that relate to community harmony.

I note in the second reading speech that one of the objectives of the Bill is to amend the Regional Development Commissions Act to make commissions more accountable to their communities. I hope to goodness it does. In supporting the legislation, I wish the Government well with it.

MR OMODEI (Warren-Blackwood) [2.57 pm]: I rise to make some comments on this Bill in my capacity as the shadow spokesman for the south west and to let members know of my involvement in regional development over the years.

In the early 1980s, at the start of the South West Development Commission, legislation was prepared by Dr Wally Cox, who was the chief executive officer of the Water Corporation and latterly of the Department of Conservation and Land Management. When the South West Development Commission was first established there were no other regional development commissions in Western Australia. The former member for Collie, Dr Hilda Turnbull, and I were selected as members of the first advisory committee. At that time I was involved in local government. Most of the members of the advisory committee would have been conservative people working in private enterprise. Although I support this legislation, because I acknowledge that the Government went to the election with the promise of ministers to represent each of the regions, I had aspired at one stage to be the minister for the south west because I had lived there all my life, knew the issues and the communities and believed I had a contribution to make to them. However, I am concerned about the pluses and minuses of this proposal because it is much more difficult to politicise regional development under one Minister for Regional Development.

The former minister and Deputy Premier, Hon Hendy Cowan, did a very good job as Minister for Regional Development. The legislation passed in 1993, setting up new development commissions across the State, made it very clear that boards would be established with representation from local government and that a regional development council would also be established. That council would comprise the chairperson of each of the commissions, three persons appointed by the minister and two persons from local government. I wonder whether this legislation is adequate in that we will have seven ministers representing each of the regions rather than the council and the board reporting to the minister. From the point of view of good and expeditious government, although this will provide a conduit via the minister for each region, it will also create difficulties. I am saying this with due deference to the work that Hon Jim McGinty does as Minister for Peel and the South West. This system of regional ministers creates another point at which issues must be addressed. I am sure that the minister receives many documents that he then forwards to the relevant minister. One of the options would be for local governments to go directly to the appropriate minister. This measure presents pluses and minuses. Having a minister as a focal point, promoting the region, development and social activity and infrastructure, is a good arrangement. However, it may slow down the process. Members on this side will be watching closely to see how well the system works.

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Mr McGinty: As far as the south west is concerned, I will be an advocate for the region rather than a substantive minister; that is, I will not be responsible for roads, hospitals and schools. However, it is important for me to be in the south west to listen to what people are saying and then to advocate on their behalf. I want to take responsibility for driving an issue of particular concern to the member; that is, to find replacement industries for the timber industry once we move away from that activity. I will take a more hands-on role in that area. Hopefully that will not constitute any blockages in the system.

Mr OMODEI: I am pleased to hear that; that is exactly my proposal. The minister should expedite matters rather than act as a bottleneck.

In the early days, when Hon Julian Grill was the minister responsible for the south west, the South West Development Commission almost became an advocate for the two local members. The authority's quarterly reports would contain at least six photos of the two local members - David Smith and Phil Smith. Of course, one can say that that is politics. However, we have had a much more refreshing approach since the commission was established under the stewardship of the former Minister for Regional Development, chairman Stuart Morgan and Don Punch, the chief executive officer. It is a professional body and politics does not play a large part in its operations. It is well run, relevant and knowledgeable about the south west. It also delivers good outcomes to the people of the region. It would be a great shame if the regional development commission office became a second electorate office for sitting Labor members. That would hamper good regional development.

One thing that has happened as a result of the evolution of regional development offices has been to the detriment of local government. I recall in the early days of development authorities and boards when Peter Beeson was the executive officer in Bunbury under the chairmanship of Dr Ernie Manea, who later chaired the South West Development Authority Board. The board had only six members, it was apolitical and it worked very well. Once we created the South West Development Commission, with all its powers to acquire land and borrow money, the situation changed. Its borrowings were significant - under the former Labor Government they were about \$18 million. The member for Murray-Wellington mentioned that the South West Development Commission's budget is greater than that of the other commissions. We are probably still paying off the debts incurred in the early days.

In the days prior to the establishment of the regional development authorities and commissions, local governments had the right to make significant announcements in their local area. The shire presidents, in concert with the minister of the day, made significant statements in their communities, and that gave them a higher profile. We started with regional development authorities; we then established the advisory committee and then the board. Now we have regional development commissions across the State. The 1993 legislation provides that the board of each commission will have three members representing local government and the council will have at least two representatives from local government. The council meets twice a year and the boards meet monthly.

Local governments have a councillor or two appointed to a board. They then become part of the institution - they get paid travel expenses and a sitting fee. In the process, they sometimes become remote from local government. Again, the advent of development commissions and local government representation has led to less relevance for local governments. The establishment of regional development commissions has been at the expense of local government. It is incumbent on the Government, and particularly the ministers responsible for these regions, to ensure that local government is still relevant when it comes to discussions, negotiations, decision making and announcements of initiatives around the State. In the end, if we diminish the role of local government and impose on it more responsibility for issuing licences, building approvals and so on, people will aspire to be involved in regional bodies such as the commissions and boards rather than their local council. That will be to the detriment of local government. It is very important that we have a strong system of local government in Western Australia because it is closer to the people than any other level of government.

This debate tempts me to comment on electoral reform and the introduction of one vote, one value in Legislative Assembly, Legislative Council, Senate, House of Representatives and local government elections. If we are going to have it, we should be consistent; let us start with Senate elections. I will make a contribution about vote weighting and electoral redistribution at the appropriate time.

This legislation is designed to appoint separate ministers for each of the regions. The Government of the day has a mandate to pursue this change. Members opposite went to the election with that policy, so they have the right to go ahead with this measure. I agree with the proposal, but we should monitor its operation very closely. Having been involved as a regional development advisory committee member for a number of years, in local government and later as Minister for Local Government, I believe that having a Minister for Local Government and Regional Development is also a good idea.

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I am not saying that everything the Government does is wrong because I believe the Government has made some good decisions. When the Government has made good decisions, I will certainly acknowledge them. When the Government has made mistakes, I reserve the right to be critical.

I will highlight some of the things that the South West Development Commission has done by referring to this year's report. The Living Windows into the South West program has been a success, as has the south west industrial heritage trail development proposal. The international wine tourism conference at Margaret River, the cultural tourism program and tourism promotion have all been successful. Apart from the Pemberton Forest Park tourism master plan - which is something that has been worked on for quite a while - there is an excellent proposal for a hydroelectric development in Pemberton. News of the proposal has been in the media over the past few weeks. It was proposed by the Institution of Engineers Australia and supported by Stuart Morgan who, as an engineer and chairman of the board of the South West Development Commission, has been pushing for this project for a number of years. I thank him for his efforts. It is a shame that the pipeline was laid down the middle of the creek. If it is possible to shift the pipeline, it would be a good idea. In spring, if one drives across the bridge on the way to the trout hatchery at Pemberton and one looks back to the weir, one sees one of the best views anywhere in the world. I was taken aback when I saw the pipeline and I have received dozens of calls urging me to attack the Government on this. I would rather the Government recognise that it was a quick way of doing the job and that it is worth spending a bit more money to shift it and have it covered with granite or blackberry bushes. The pipeline detracts from the otherwise excellent view.

Mr McGinty: I agree that there is a problem. There was an informal wink and a nod and the contractor went ahead. Things were not done properly. The head of the South West Development Commission, Don Punch, spoke to me earlier this week. A meeting was held in Pemberton yesterday that looked at whether the pipeline could be returned to the original alignment and removed from the creek. Everybody agrees that is a thoroughly worthwhile project but the deviation is unfortunate.

Mr OMODEI: I could not agree more. If it can be rectified, everybody will be happy. A major trout fishing festival started in September last year but will be launched in earnest later this year. It will be a major drawcard for people in the south west. The area needs to make every post a winner because of the restructure of the timber industry.

In addition to the Collie River Valley Marketing Group, the Warren-Blackwood Shires Business Units Alliance has promoted Bridgetown's excellence in business planning program. The Manjimup Horticulture Industry Advisory Group has just appointed a new chief executive officer. The Pemberton agriculture research facility is a very important facility that has great potential for the area. Compost research trials are under way. Collie is conducting viticultural trials. It is a step in the right direction.

Regarding industry and business support, the South West Industry Leaders Forum and the industry development adviser program have been good initiatives. The South West Information Technology Advisory Service is also a good initiative. The development commission has developed the Walpole mobile telephone service, the south west irrigation e-commerce project, the Nannup mobile phone service and a range of environmental programs such as the biomass energy initiatives, which took place in Manjimup under the watchful eye of Jerry Threlfall, who is the regional manager. He is doing an excellent job.

There has been some conjecture about where the money for the Warren-Blackwood development plan and the Warren-Blackwood action plan came from. The \$2 million has been well spent. It was spent on the action plan under the chairmanship of myself and Hendy Cowan. It came at a critical time when Western Power was extending the three-phase power in Northcliffe and it was only intended to go so far. The Warren-Blackwood action plan allowed \$300 000 to be spent to complete a loop and service a number of dairy farmers. It was a good, sensible project.

Wherever there are a good, sensible projects, the minister will have the total support of the member for Warren-Blackwood. In my connections with the South West Development Commission, and prior to that with the development authority, I can say that we have been fortunate to have excellent staff. I warn against the politicisation of those organisations. It would be to their long-term detriment if that occurred. If these types of government bodies were politicised, the change of government would result in a tip over the other way. It might be the American system, but I do not like it. Under the chief executive officer, Don Punch, who was previously in Family and Children's Services in Collie, an excellent job has been done. He has dealt with many contentious issues and achieved good outcomes.

Mr McGinty: That is my impression of the South West Development Commission.

Mr OMODEI: I am pleased to hear that. Small town economic and community development is very important, particularly right now. In my electorate, Augusta lost a \$300 million mineral sands project. One would never

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have thought that would happen. How could BHP Pty Ltd close down a \$300 million project? It cost BHP over \$100 million to close it down. It is unbelievable, but it happened. It had a serious impact on Augusta. The Government should be conscious of that.

Margaret River is going through trauma at the moment. Elections are coming up for which nominations close on Saturday. I am hopeful that, under the new commissioners, the shire will have turned the corner and it will be able to get its debt under control and provide good local government. Balingup has a main street program. The Manjimup on the Move project is very important and its health resort project is a multimillion-dollar concern. I hope the minister will have time to be briefed on the project. It is very ambitious but it could be the making of the town. It is a state-of-the-art health research project that allows practitioners from many areas of science to deliver services from the town. It is something that is better placed in a regional area than in the metropolitan area. Mikel Christensen heads the project. He is an excellent person for the job and is very innovative and knowledgeable. The Northcliffe cluster mill project, the Northcliffe interpretive and cultural centre and Rylington Park at Boyup Brook are all going ahead under the development commission. Nannup economic planning and government services provided to the areas are also very important.

There should be an active, energetic regional development commission. I support the new thrust but I am a bit worried about some of the downsides that could occur. I do not want to see the minister's office become a bottleneck; it should be speeding up projects and development. I do not want to see regional development commissions become politicised.

MR MASTERS (Vasse) [3.18 pm]: I offer reluctant support for this Bill. I have doubts about whether the regional development commission model is the best way to go. A number of people in my electorate have told me that they see regional development commissions as another layer of government that sits between local government and state government. It could potentially make the chain of command and communication between the ordinary person in the street and the State Government longer. Some of my constituents have commented on the ability and potential of development commissions to involve themselves in political activities. There is doubt about whether the regional development commission concept as it currently exists is the way to go. There may be a better way to go. I will give some examples. States could fund local governments to employ business development officers.

It is important to remember that the development authorities, as they were first called, were established some years ago primarily to develop economic opportunities in their respective regions. I admit that that very important, singular role has since expanded, which I will speak about shortly. There is potential, nonetheless, for the economic development role of the regional development commissions to be moved a peg lower down the ladder from commission level to local government level.

Support for this came about when some two years ago I made a trip to south east New South Wales to visit local government bodies and general communities that had suffered badly due to the closure of timber mills and the cessation of native forest logging in the early to mid 1990s. I visited the Cooma, Bombala and Eden Monaro local government areas two years ago and discovered that a business development officer or a business development manager was employed in each area. They were not necessarily local people, although they were in some cases. In all three cases they were very switched on and imaginative people, who clearly understood their responsibilities which were to maximise opportunities and to undertake activities that would ultimately lead to job generating developments in their local shires.

The business development manager in the Cooma local government area, some two years before I spoke to him, had noted that in order to improve gas supply security for Sydney people the New South Wales Government was building a pipeline north from the Gippsland Basin in Victoria to Sydney. The New South Wales Government had chosen a route along the coast, on the eastern side of the State, primarily because it was the shortest route. The Town of Cooma convinced the NSW Government that this was a more expensive route due to small land holdings and a large number of topographic variations, which would have added to engineering and construction costs. It pointed out that if the New South Wales Government were to take the gas pipeline through Cooma the cost would be lower due to the large landholdings and broadacre farms, which would mean fewer negotiations and compensation based on cheaper land values. Most importantly the pipeline would go through Canberra where another 250 000 to 300 000 people resided who could take gas out of the pipeline and make the route more economic.

When I was visiting Cooma the gas pipeline was under construction. I understand a field crew of about 150 people was based in Cooma for about six months. Clearly, Cooma was benefiting in the short term from the money those people were spending. In the medium to long term, market potential could be developed knowing there would be ready access to piped, therefore cheap, gas thus attracting industries to Cooma.

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Another example of the business development officer's success in Cooma occurred after he realised that the many Sydney tourists who travelled to the Snowy Mountains for skiing paid \$300 or \$400 per person per night for accommodation and meals at the ski resorts that were either close to or in the ski fields. He managed to convince the local government body and the tourist association in Cooma to develop an advertising campaign telling Sydney and Canberra skiers that if they stayed overnight in Cooma, their nightly cost per person would drop from \$300 or \$400 to \$120. The additional travel time from Cooma into the Snowy Mountains was less than half an hour and the money they saved in accommodation could be spent on good wine or good food or having a spa while staying in Cooma. It was a very successful campaign, which took Cooma from being a summer tourist town when the wildflowers were out and activities were water-based to a town that accommodated winter tourists who travelled to the area for skiing.

Bombala, a town closer to the coast, was far more remote and opportunities for creating jobs were more difficult. However, to the credit of the business development officer there, in consultation with the local community, he realised that Bombala had what no other town in the world has; that is, the highest population density of platypuses in Australia. A program was cranked up around ecotourism telling people that if they wanted to see platypuses in the wild, Bombala was the place to visit. Although platypuses are not endangered, they can be seen only at night, usually in their natural habitat. However, at Bombala, due to their population density, the platypuses could be seen in the local river downstream from the town in the late dusk hours as well as at night, and in the town water supply up the hill, behind the town. I am not sure whether this is appropriate to include in *Hansard*, but a comment was made to me that for every glass of water drunk in Bombala a certain amount had passed through numerous platypuses. I am not sure whether that was a marketing ploy; however, this was a good ecotourism opportunity which, with State Government funding, the local community progressed.

Eden Monaro was a different kettle of fish. It was reliant on the dairy industry, as it had a major cheese production facility. Its business development manager clearly understood the weaknesses and strengths of the area and he was trying full bore to develop job opportunities in the area.

If the State Government were to provide funding to certain local government bodies in Western Australia to employ business development officers or managers it would see a return many times greater than the initial investment.

When thinking of Western Australia it immediately springs to mind that the Shire of Manjimup is doing it tough because, as the member for Warren-Blackwood has said, the Government's timber strategy will bring significant changes to that community. I understand somebody is employed by the Shire of Manjimup to consider economic opportunities, but I am unsure which body is paying for that person. I hope that employment will not be temporary and will continue for at least 10 years.

In the wheat belt, where very bad climatic conditions are causing significant problems to not only the farmers but also small business people who depend on the farmers for their income, a case could be mounted for funds to be given to local government in the worst hit areas so that local business development opportunities could be ascertained. I suspect this idea of mine could be taken further in other places in the State.

I appreciate that my calling for the development commissions to be abolished and for the money saved to go into local government may not sit well with either my colleagues on this side of the House or with the Government. However, a compromise would be to reduce the size of the existing development commissions and leave them with enough staff and funding to undertake tasks other than economic development activities. The money that is saved could be used to put funds into local government for the employment of business development managers or something similar.

Mr Hyde: Are you making that request officially to the minister?

Mr MASTERS: No, I am making a suggestion to the minister for his consideration. The member for Perth would not know it, but on at least one occasion during the previous term of Government, as part of the regional forest agreement debate, I made that suggestion but was unable to get the Government of the day to consider the issue further. However, a new broom has swept the Government clean, so it might be a new opportunity to do so.

In recent years, not too many benefits have been provided to the electorate of Vasse by the South West Development Commission. The interpretive centre and underwater observatory at the Busselton Jetty received some strong support and there is no doubt that those projects are world-class, particularly the underwater observatory. Any political party would have supported strongly at least the underwater observatory, but probably both initiatives at the right time because of the economic and other benefits they would bring.

Prior to the election I received a letter from the development commission in response to a letter I had written that asked the commission to detail the achievements it had provided to my electorate in the last term of the

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Government. Unfortunately, the commission was not able to provide me with a very long list. I repeat that some people in my electorate do not see what benefits have accrued to the Vasse electorate from the South West Development Commission over the past four years.

There also was an issue, that I will not go into, whereby the South West Development Commission arranged for an investigation to be undertaken to consider the servicing and infrastructure needs of the Vasse electorate. I will not go into detail. However, when the report came out it was somewhat damaging to the Government of the day, and it was particularly damaging to me. When I queried the South West Development Commission about the report, I was advised that, interestingly, Vasse was the only electorate that had been subjected to a study of that type. Reluctantly, I must therefore conclude that it was a politically inspired report that did me some political damage.

I must also put on record the fact that, to date, the South West Development Commission has not established much of a rapport with me as the member for Vasse. Communications between the development commission and me have been rare at best. I do not know whether its communication policy as a general rule is to communicate with local members of Parliament, including others and me. The members of the commissions are not elected but are selected for their role. As the elected representatives, we must know in more detail what the development commissions are doing or hope to do. I hope that by making this comment in Parliament, the South West Development Commission will take on board my concerns and try to formulate a policy whereby it will try to improve the communication between it and me.

Therefore, I reluctantly support the Bill. Based upon the comments I have made, I am putting the Government on notice. The South West Development Commission has, in my view, undertaken party political activities in the past. Now that I have publicly stated my concern, I hope that it realises that it has been put on notice and it will not contemplate any such activities in the future. The South West Development Commission should try to achieve good government for the people in the south west region. In that regard, I am very pleased to be able to offer my future support for it should it agree to go down that route.

When I read the minister's second reading speech, I was immediately suspicious about the motives of the Bill. First, by the way in which the minister has made his comments in support of the Bill, one wonders whether he is saying that local members of Parliament are not doing their jobs well enough. That comment could be applied to you, Mr Speaker, and to me, as well as other members of Parliament from the south west region. I will not answer that question. I simply say that that seems to be a question that the minister posed in his comments. I also ask whether, by interpreting the minister's comments in a certain way, it means that soon all the ministers of the Crown will be divided on a regional basis. In that case, there would be a minister for south west water, a minister for south west housing, a minister for south west education and so on. That would recognise that the needs of the south west are different from the needs of metropolitan Perth, the wheatbelt, the Kimberley and the Pilbara. However, I do not think the Government will go down that route, which shows that maybe the minister's argument is not all that sound.

In his speech, the minister also talked about a need to coordinate government efforts in regional development. To be honest, I am not sure how the creation of nine additional ministerial responsibilities will help to coordinate government efforts in regional development. The arrangement in the last term of Government in which there was one regional development minister who could go into Cabinet and represent all of regional Western Australia would assist in the coordination process far more than having nine additional titles in Cabinet trying to argue their cases.

It is interesting that there has been a reduction in the number of state government departments from 46 to 23 and yet there has been an increase in the number of responsibilities of government ministers by eight; that is, from one regional development minister to nine. I question the veracity of the minister's statement about the need to coordinate government efforts being a justification for the creation of eight extra ministerial positions.

Finally, I am reminded that when the development commissions first came into play some 15 or 20 years ago, they were advisory bodies to the minister and the Government of the day. They worked hand in hand to provide advice to local governments. I wonder whether it may not be a good time to revert to that advisory role for development commissions, including the South West Development Commission.

MR BARRON-SULLIVAN (Mitchell - Deputy Leader of the Opposition) [3.37 pm]: I share some of the concerns and sentiments of some of the members who spoke before me, including the member for Warren-Blackwood and the member for Vasse in particular. I am concerned about how the ministries that will be empowered as a result of this legislation will ultimately be coordinated. I also have some concerns about some of the practical implications associated with the way the Government wants to operate its affairs concerning regional development.

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I will focus on the question of policy versus performance. One only has to consider the south west that has its own minister. For all intents and purposes, that minister has a strong degree of influence if not control over the regional development commission in that area. After six months in Government and after more than five months since the minister was given his posting I wonder how genuine the Government's commitment is to economic and social development in the region. That could be analysed in a number of ways, and I will touch on a few of those in the short time I have to speak.

One of the simplest ways to find out is what one would do if one had a query about economic development in the south west and wanted to talk to the Minister for Peel and the South West or someone in the minister's office. People living in Perth who had a query would want to ring the minister. Someone in the south west who had tried to do exactly that contacted me yesterday. That person rang directory assistance - I presume that 12455 is a Telstra number - and asked for the phone number of the Minister for Peel and the South West. The operator said that, according to the information on her computer, the minister was Hon Jim McGinty and his phone number was 9220 5000. Anyone in the south west knows that that is not a local number for that region. It is obviously a Perth telephone number. The constituent rang the Department of the Premier and Cabinet and asked for the phone number of the Minister for Peel and the South West. He was put through to someone who said that the minister was Mr McGinty and that his phone number was 9220 5000, which is that same Perth phone number. The person queried why it was a Perth phone number and was told that the minister did not have a south west number because he was based in the city. That says it all. That demonstrates that legislation can be changed and ministers can be put in charge of local development commissions and so on, but if a Government does not have fire in its belly and a real drive, enthusiasm and genuine commitment to regional development, a minister might as well have a phone number in Widgiemooltha.

Mr McRae: What is the point? I don't quite understand -

Mr BARRON-SULLIVAN: The member for Riverton should continue to listen. He will understand. The next thing is -

Mr Bradshaw: If you live in an area, you know what is going on. That is what it is about.

Mr BARRON-SULLIVAN: The member for Murray-Wellington has raised a good point. A question like that from a metropolitan member demonstrates that point. Something that demonstrates the point further is that the Labor Party does not have one country member currently sitting on its front bench.

Mr Hyde: Yes there is. The Minister for State Development is there.

Mr BARRON-SULLIVAN: I am looking for a country member on the front bench. I am sorry, I cannot see a country member.

Mr Hyde: So, you are prejudiced against him because he is not sitting on the front row.

Mr BARRON-SULLIVAN: The Minister for State Development is a metropolitan member. There are no country members on the Labor Party's front bench who represent country areas.

Mr Hyde: You are prejudiced against the minister.

Mr BARRON-SULLIVAN: These interjections are indicative of the attitude of government members to regional matters.

The ACTING SPEAKER (Mr Dean): Order, members!

Mr BARRON-SULLIVAN: They have no sympathy or commitment.

Several members interjected.

The ACTING SPEAKER: I remind members that I will not allow interjections.

Mr BARRON-SULLIVAN: I thank the Acting Speaker.

Mr McRae: You had better not talk about the urban railway.

Mr BARRON-SULLIVAN: I will talk about the railway. The Government wants to spend upwards of \$300 million on changing the Liberal Party's plan for a rail service. That would buy the Government two Peel deviations, a number of grain roads to Merredin and so on.

Ms MacTiernan: Do you think we will spend extra funds?

Mr BARRON-SULLIVAN: I will be interested to see whether at the end of the day the Government can hold to its cost projections.

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The ACTING SPEAKER: It is very hard to protect the member for Mitchell when he feeds off the interjections. I am not sure which side is winning here; whether the member for Mitchell or government members are enjoying it most. I ask the member for Mitchell to confine his remarks to development commissions.

Mr BARRON-SULLIVAN: My ancestors must have been bear-baiters. To demonstrate the extent of the Government's commitment, there is a sign at the minister's office but no staff or direct phone number and so on. Over the past five or six months, the minister's office has demonstrated the extent of the Government's commitment to real regional development. It is performance that counts. One of the key objectives of the principal Act is for -

... commissions to coordinate and promote the economic development of regions of Western Australia,
...

I will examine the first five months of this Government's term to see whether its performance stacks up to that objective. However, members should not take my word for it. I will turn to an independent source. The member for Kalgoorlie will probably differ from my view that one of the most prominent chambers of commerce in this State is the Bunbury Chamber of Commerce and Industries. The Bunbury Chamber of Commerce and Industries carried out a survey a few weeks ago and it received a response from 32 per cent of its membership. As members know, a response of 32 per cent from an organisation's membership is a high response rate and it is a fair indication of the feeling of the membership. It is an accurate survey. How did the members of the chamber of commerce - small business in the south west - rate the Government's performance? According to the survey -

Early opinions about State Government performance on business issues show room for improvement.

That does not sound too good. The survey found that -

While the majority of businesses surveyed (55%) were "neither satisfied or dissatisfied" with the new government's impact on business, ...

In other words, it is ho-hum. It continues -

... a significant number (35%) were either "not satisfied" or "very unsatisfied".

More than one third of the businesses in the south west said that the Government is not doing a good job on economic development. That is the prime objective of this Act. That is one of the reasons that the Government created a minister for the south west - to drive economic development. However, more than one-third of the people who are at the forefront of this, the powerhouse of business, the equivalents of the member for Ballajura who are running small business - although there are not too many of them on the Government's ranks - were either not satisfied or very unsatisfied with the Government's performance.

The impact of the State Government's forest policy -

Mr Hyde: What did they say about the goods and services tax?

Mr BARRON-SULLIVAN: I ask the member for Perth to please be quiet for a moment. This is an important point. The survey found that -

The impact of the state government's forest policy was described as "negative" by 32% of businesses.

The survey also found -

... this number highlights the interdependence of greater Bunbury in its regional base.

The chamber of commerce has clearly demonstrated that this reflects not only business in the Bunbury area, but also the free enterprise system throughout the south west.

Another issue of pressing importance in the south west concerns the price of fuel. The survey concluded that -

Fuel pricing in Bunbury continues to be a major issue for business: 76% reported a "negative" impact.

I recall that when he was in opposition, the Premier promised to give urgent attention to this issue. He went to Bunbury and said that he would lower the price of fuel in country areas. Seventy-six per cent of businesses in the region still say that it is a negative issue. It is no wonder. The price of fuel has not gone down. Since the Government has been in office, not one litre of fuel has been sold at a lower price or at the maximum wholesale price under the new fuel pricing regime. In other words, the Government has simply not delivered on issues that really matter.

The way in which the Government is doing things is really interesting. Any social or economic development program for an area involves the development of train services. Sure enough, the Government said it would improve train services in the south west. How will it do this? How will it increase the frequency of the

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Australind to Perth? One would assume that some of the options are to make the train go much faster, increase the number of trips each day, or put more trains on the track. The Government is not considering those options.

Mr McRae: Or reduce the distance.

Mr BARRON-SULLIVAN: Or reduce the distance! Yes. People who travel from the south west generally want to get to Perth.

Several members interjected.

Mr BARRON-SULLIVAN: Again, I suggest that government members talk to people in the south west about where they want to go when they catch the train. I suggest that members look at Department of Transport surveys and so on.

Mr Hyde: Then they can see the minister.

Mr BARRON-SULLIVAN: Absolutely. They want to catch the train so that they can go to Perth to see their local minister, because they do not have a minister in the south west.

Ms MacTiernan: Do you really object to us asking the people of Bunbury whether they would like a third service that we could deliver immediately if they would transfer to another train at Armadale? We are putting that proposition to the community. If they do not want it -

Mr BARRON-SULLIVAN: The fact that the Minister for Planning and Infrastructure would even consider putting that proposition to the community -

Ms MacTiernan: What is your problem? You have spoken about a referendum today. We are going out to the people of Bunbury and asking them if they want it.

The ACTING SPEAKER: Order, Minister for Planning and Infrastructure!

Mr BARRON-SULLIVAN: The Government has led those people to believe that they will get an improved service, but the train will go only to Armadale. These poor pensioners, elderly people and people with physical disabilities or young children will be expected to disembark from one train, and get all their bags, suitcases, surfboards, pianos and things, and jump onto an electric train to hoot into town to see their minister.

Ms MacTiernan interjected.

The ACTING SPEAKER: Order, Minister for Planning and Infrastructure!

Mr BARRON-SULLIVAN: I am sure they do not want to see the Minister for Planning and Infrastructure. This is the point. If the Government were in touch with people in the country, it would know that it does not have to come up with wacky arrangements such as this.

The Government should live up to its commitments without reducing services. The idea of improving a service is to do just that - improve it, not reduce it.

Ms MacTiernan interjected.

The ACTING SPEAKER (Mr Dean): Minister, this is the second time I have called the House to order. I do not want to ask the member for Mitchell to address his comments through the Chair, but I may have to. Both members seem to be enjoying the debate, so will they please stick to the matter at hand.

Mr BARRON-SULLIVAN: Let us examine another area. If we are to have economic development and improve the social situation, particularly in more urbanised and regional areas and centres, one key objective must be to progress the infill sewerage program. As you would know, Mr Acting Speaker, in our home town the sewerage infill program has been a resounding success. It has assisted in the initiation of a number of major urban redevelopment programs throughout Bunbury, outlying areas and regional towns. Despite this legislation, we are staring down the barrel of a major cut to the infill sewerage program. We had a major debate in this House not long ago on the Peel deviation road. If I am not mistaken, not a single Labor Party member supported the motion to get on and build the Peel deviation, which would be a very important link between the metropolitan area and the south west. Incidentally, two of the development commissions, one in particular, have been very supportive of it.

Development commissions and ministers in charge of them may say that a road or a major infrastructure is needed to assist economic development in a particular region, but when push comes to shove there is no commitment. The Government and its members are prepared to remain silent and not support such initiatives. I am concerned about the likely economic and social impacts of reducing police numbers in the wheatbelt. When I was a government member I pushed for an increase in police numbers because my prime responsibility was to look after the constituency I represent. I would welcome any increase in police numbers. However, people in

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my electorate say that they feel pretty bad that we might be getting extra police at the expense of our cousins in the wheatbelt. That demonstrates a total lack of real commitment on the part of the Government to economic and social development in country regions.

A number of members have commented on electoral change, and it is important to touch on this. I realise electoral change is dealt with under other legislation, but it is also touched on in this Bill. Now that ministers are in charge of individual development commissions, it will be interesting to see whether those ministers direct their development commissions to assess the impact of electoral change on their regions. The Minister for Electoral Affairs has said that people in the country do not want members of Parliament; they want government services. That is a pretty naive approach. We all know that people do not get government services in regional areas unless members of Parliament push for them. Development commissions can play an important role in assessing what is required in individual regions and the social and economic impacts of policy decisions. I suspect that none of the development commissions has been asked by the minister to assess the likely impact of the Government's electoral change legislation on its region. I am sure the result of any such assessment would be quite shocking.

The Bunbury area is a classic example of an area that has done very well. It has been represented by two members of Parliament for some period. Whether those members of Parliament are in one political party or two, the greater Bunbury area and the City of Bunbury have done well from their representation in Parliament. However, under the proposed government legislation, the City of Bunbury will undoubtedly be represented by one member of Parliament. Members know exactly what that means: it means reduced representation in the lower House of the Parliament, which is the House in which the Government is formed. It also means ultimately a lesser say in the process of government in this State.

Schedule 1 of the principal Act that this legislation deals with recognises a country-metropolitan divide. The member for Rockingham indicated earlier in debate that he would support a change. I presume he wants Rockingham to be under the auspices of the Peel region. Under schedule 1 of the Regional Development Commissions Act 1993, the Peel region includes Boddington, Mandurah, Murray, Serpentine-Jarrahdale and Waroona. However, schedule 1 quite clearly draws a divide between country and metropolitan areas based on the metropolitan region scheme boundaries.

The Government is not keen to amend this legislation, despite the fact that the member for Rockingham has said that he does not agree with that aspect of the legislation and would like the legislation to be changed to include Rockingham in the Peel region for the purposes of the Act. The Government has said that the legislation recognises the country-metropolitan divide. It says that it needs to place special emphasis on the regions, and that it will do that by continuing with the regional development commissions that the previous Government operated so well. The Government has said that in fact it will go one step further and spend a heap of money to set up individual minister's offices. It recognises the country-metropolitan divide in that respect, but not in the electoral system. In his second reading speech, the minister said -

The approach taken by the Government is to improve the representation of regional areas by the appointment of ministers who have responsibility for each of the State's nine regions.

The minister is saying that the Government wants to improve representation in regional areas; that it will keep schedule 1 as it is now; that it will keep the country-metropolitan divide; and that it will spend more money on ministers' offices and so on. In that respect the Government has accepted the different needs in the regions and recognises that they should receive a degree of support that is not provided in the metropolitan area. In electoral matters, of course, that is not the case. Whether all members on the other side agree with that approach will undoubtedly unfold as debate on that legislation occurs in this House in a couple of weeks.

I want to mention one particular project which I left out of consideration when I spoke about trains, roads and infill sewerage projects. If ever a project will test the mettle of the Government's attitude to development in the Bunbury area, it will be the Back Beach project. Will the Government continue the full funding agreed to by Cabinet under the previous Government? The local paper ran a story that somehow or other \$2 million of the \$7 million allocated for this project had been spent on other matters. I will not go into those other matters because some were key priorities to assist the economic development of the region. What worries me is that we are seeing a softening of the ground, and the Government might back out of that \$7 million commitment and in one way or another reduce the expenditure in the area. As the budget rolls around, I will be watching very closely the allocations for the south west, the greater Bunbury area and throughout the regions. On the basis of the performance of the past five months, I am sceptical, to say the least, about whether the intentions of the legislation will be carried through with hard and fast action on the ground.

MR BARNETT (Cottesloe - Leader of the Opposition) [3.57 pm]: As other members of the House have said, the Opposition certainly has no objection to the idea of regional development commissions reporting to different

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ministers. The development commissions have been highly contentious during their existence in Western Australia. Their individual performances have varied considerably, often related to their personnel. Regional development commissions can play a role, certainly on a regional basis. That sounds like tautology, but they can look across all areas of government activity, identify the needs and examine the potential for development and growth.

There has been a tendency for regional development commissions to lose their focus, as they have become more interested in many social issues, such as education and health. I do not discount those issues as being important to the welfare, prosperity and overall quality of life in a region. However, the initial concept of development commissions was development: to attract and maintain businesses, and to build up employment and investment within a region. From time to time that focus has been lost.

Debate adjourned, pursuant to standing orders.