

WATER BOARDS AMENDMENT BILL 2002

Second Reading

Resumed from 12 March.

HON NORMAN MOORE (Mining and Pastoral - Leader of the Opposition) [12.39 pm]: This simple Bill is supported by the Opposition. It is an amendment to the Water Boards Act, which currently provides that the chairman of a water board can be provided with an allowance to defray his necessary personal expenses. The intention of this Bill is to extend that capacity for payment of expenses and remuneration to other members of the board, and refers mainly to the Bunbury and Busselton Water Boards. It is a very appropriate Bill as it allows for members of those boards to be remunerated to acknowledge the work they do to ensure that those two boards work efficiently and effectively, and I am told that that is the case. Also, members of the water boards are directors and are subject to the Statutory Corporations (Liability of Directors) Act 1969, which imposes quite a burden on directors as board members. As they take on that responsibility, it is appropriate that they also be entitled to remuneration for the work they do. The rate of pay will be determined by the Minister for Public Sector Management in consultation with the Salaries and Allowances Tribunal, or something of that nature. The Opposition supports this Bill. It is a very sensible proposal and one that will acknowledge the good work being done by members of the Busselton and Bunbury Water Boards.

I wish to make one comment on a matter raised by the member for Vasse when he was discussing this Bill in another place. He suggested that the Water Corporation might have fudged its figures regarding the competition it engaged in with Aqwest for the Dalyellup subdivision.

Hon Nick Griffiths: I have corrected that.

Hon NORMAN MOORE: The minister said that the allegations were typical of relevance deprivation syndrome. I did not think that was the sort of language this minister used.

The Water Corporation itself acknowledges that in this instance, and I quote -

Through the competitive process, the financial outcomes altered such that the developer charges (ranging from \$1,150 to \$1,900 per lot) were cheaper than the standard headworks contribution (\$2,500 per lot). Customers in this development pay standard by-law rates.

In summary, this process resulted in lower income to Government than would have been achieved by using standard pricing arrangements and there was no benefit to consumers. However, the developer benefited through lower headwork contributions.

This example shows the failure of the greenfield site process.

I remind the minister that even the Water Corporation agrees with the member for Vasse. The minister's comments about the member's observations, unfortunately, were misplaced and not in keeping with the minister's usual, sensible approach to these matters. This is a good Bill, which the Opposition supports and which should be supported by all parties.

HON BARRY HOUSE (South West) [12.41 pm]: This gives me an opportunity to say a few words about two very important and effective institutions in the south west. I support the principle of the Bill and its intent to provide remuneration for the chairman and directors of Aqwest and the Busselton Water Board. The capacity for the two boards to remunerate their directors has been long sought after. Their positions are voluntary and they have functioned extremely well for many years. I am pleased to have this opportunity to say a few words about the two boards. They play a very important role in the communities of Busselton and Bunbury in particular, and in the wider community.

The Busselton Water Board has operated since the turn of the twentieth century. It has been separate from the municipal body for a long time. The people who have been running that board in a voluntary capacity and the paid employees have performed a remarkable service for the community over many years.

The Bunbury Water Board, now called Aqwest, has also existed for a long time. It was separated as a fully independent body in the 1990s when Hon Peter Foss was Minister for Water Resources. Prior to that, it operated in conjunction with the Bunbury City Council. Some of the assets and responsibilities overlapped, which were clarified by the clear separation of Aqwest from the Bunbury City Council in the 1990s for the better of the Bunbury community, particularly water users. Aqwest and the Busselton Water Board are served extremely well by very dedicated community members, who put in an enormous voluntary effort. They are served extremely well also by employees who have great knowledge of the areas they service and a terrific commitment to their own communities.

The Busselton and Bunbury Water Boards are survivors of a move in the 1980s to eliminate private water boards. Some of them succumbed. I understand the Harvey Water Board operated as a separate entity until the 1980s, when it was absorbed into the Water Corporation. The existence of two private water boards is vitally important, certainly in our part of the world, because they provide a direct comparison of efficiency, costs and management between themselves and the Water Corporation in those communities.

Hon Nick Griffiths: They are public bodies, not private companies.

Hon BARRY HOUSE: They might be public bodies but they are community organisations serving private communities, which do not come under the Water Corporation. They are separate from the Water Corporation. That is a good thing in our community. On all counts, they show up very positively, when direct comparisons are drawn between the services of Aqwest, the Busselton Water Board and the Water Corporation. The Dalyellup exercise, which was mentioned a while ago, raised the concerns of many local people because the Bunbury Water Board cannot cross-subsidise its activities, whereas the Water Corporation is a very large organisation. Some concern has been expressed about whether the comparisons were on a level playing field. As I said, when direct comparisons are made between costs, quality of water, quality of the services and efficiency and management in both communities, the small, separate entities fare very positively.

The Busselton community has lobbied very actively and successfully for a long time to keep fluoride treatment out of the Busselton Water Board's policy. That is different from the Water Corporation's views. It is what the community wants and it serves the community well. That is the way it should be.

On a broader scale, it may well be time for Parliament to consider just how the Water Corporation operates. It may even be an issue for the proposed select committee on water services to investigate. I think it is time to see whether the Water Corporation's functions should be split.

Hon Nick Griffiths: You want to privatise it, don't you? That is the Liberal Party agenda.

Hon BARRY HOUSE: I am saying it is time to have a good look at it. The way the Water Corporation operates is not everybody's cup of tea. A perception has been created that the Water Corporation is the fount of all knowledge on matters to do with water and that it is the only authority in this State that has anything of substance to say about matters pertaining to water. That is not the case. Two good bodies operate in the electorate I represent that have outstanding credibility in their communities and that match and surpass the Water Corporation's service on most matters. I am saying we should examine the Water Corporation's operations and whether its functions should be separated into, for example, a dams body, an underground water body and a wastewater treatment body. We could even consider whether it would be feasible and efficient to split its functions on a geographical basis and whether it should exist in its present form. It is a hybrid authority that operates when it pleases as a commercial operator in the market force. At other times, it hides quickly behind the skirts of government legislation that protects it when it deals with individuals. I am aware that there is an agenda to try to sort out this legislation before one o'clock. I have a lot more I want to say, but I am not about to thwart that agenda, except to say that the Busselton and Bunbury Water Boards are very reputable and credible bodies that have performed an outstanding role for their communities over many years. They have an important role to play, together with the local authorities and communities, which are also concerned about some other issues. One of those issues is the political agenda that has been driven by the Gallop Government to extract 45 gigalitres from the Yarragadee aquifer. A lot more can be said about that issue at another time, but suffice to say there is concern, alarm and anger in the south west community about the way that issue is being approached. The Busselton and Bunbury Water Boards are two authorities with expertise in the area, and they should be listened to. They are saying, along with a lot of other people, that there is good reason to be concerned about the timetable that has been set for the implementation of that policy; there is good reason to be concerned about the future domestic and industrial needs of the south west; and there is good reason to be concerned about the research - or lack of it at this stage - into the southern Yarragadee. No-one doubts that there is a vast amount of water in that aquifer. However, we want proper research to be done and a proper timetable to enable that research to be done. The Government has given until October this year. That is woefully inadequate. There should be a time frame of five years, although two or three years will probably be acceptable. This is just another issue on which the Government should start to listen to the Bunbury and Busselton Water Boards. I support the legislation.

HON NICK GRIFFITHS (East Metropolitan - Minister for Racing and Gaming) [12.52 pm]: I thank Hon Norman Moore for his support of the Bill and his very accurate summation of what is contained in the Bill. The observations of Hon Barry House, save for his support of the Bill, were quite irrelevant. This is a Bill to permit the members of the Busselton and Bunbury Water Boards to be paid. I was the minister responsible for those two bodies for a short period, and I had a chat with the members of those boards, and that is the genesis of this Bill. Hon Barry House's observations about the Water Corporation, which have nothing to do with this Bill, are most unfounded. It would be a very regrettable state of affairs for this State if he were to get his way and the

Water Corporation was carved up and privatised and sold off to the friends of the Liberal Party. That is the member's agenda.

Question put and passed.

Bill read a second time.

Leave granted to proceed forthwith to third reading.

Third Reading

HON NICK GRIFFITHS (East Metropolitan - Minister for Racing and Gaming) [12.54 pm]: I move -

That the Bill be now read a third time.

HON NORMAN MOORE (Mining and Pastoral - Leader of the Opposition) [12.55 pm]: For the record and so that the minister will understand, it is not the intention of the Liberal Party to privatise the Water Corporation and sell it off to its friends. That is not Liberal Party policy, and the minister's suggestion that it is, is totally incorrect.

Question put and passed.

Bill read a third time and passed.