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PERTH TO MANDURAH RAIL

Matter of Public Interest

THE SPEAKER (Mr F. Riebeling): Today I received a letter from the Leader of the National Party seeking to debate as a matter of public interest the following motion -

That the House condemns the Government over the distinct lack of openness and accountability on the Perth to Mandurah Rail, by denying the public of Western Australia their right to scrutinise the usage of \$1.4 billion of taxpayer funds through secrecy in order to hide the Government's ineptitude with planning and executing this major infrastructure project.

If sufficient members agree to this motion, I will allow it.

[At least five members rose in their places.]

The SPEAKER: The matter shall proceed on the usual basis.

MR M.W. TRENORDEN (Avon - Leader of the National Party) [2.55 pm]: Mr Speaker -

Several members interjected.

The SPEAKER: Members! I know that interjection appears to be a part of the national sport in this place, but it is disorderly. The Leader of the National Party has not even started his speech and five or six members on my right are interjecting. That must stop.

Mr M.W. TRENORDEN: I move the motion. The Labor Party went to the last election with much fanfare about delivering the highest standards of openness and accountability in government. In fact, the ALP had an entire election policy document titled "accountability". The executive summary of that Labor Party document reads -

A Gallop Labor Government will aim for:

- . the highest standards of openness and accountability in government;
- . the highest standards of integrity in public life; and
- . an enhanced democracy.

The Perth to Mandurah rail flies in the face of every one of those points. The lack of planning and disclosure of the cost impact of the rail is abysmal. The process is riddled with inconsistencies. The first inconsistency is the Government's signing in May of the railcar contract worth \$437 million. The master plan indicates the cost of those railcars at \$300 million. That adds another \$137 million to the bottom line cost of the rail project. It makes no difference whether it is a capital or recurrent cost; it is still a cost on the bottom line of this project. It is not surprising that we are watching this project blow out before our very eyes. Every day something new is discovered about this project that has not been costed into the master plan and we see one policy decision after another made on the run.

The next inconsistency was in March this year when the Perth City Rail Advisory Committee reported to the minister that there was insufficient information to support a bored tunnel method of construction, yet when the master plan was written just three months later, that was the chosen method. There has been no detailed public information on the risks of using that method in Perth and no information to justify that decision.

The next inconsistency, and the most secretive part of the plan so far, is the acquisition and demolition of the William Street site. I will outline the process of discovery undertaken by the National Party to unearth these hidden plans and the back-door process associated with this stage of the rail. The minister has been very secretive and less than truthful with the public about the huge potential costs to secure the precinct. It was not until the Western Australian National Party and Steve Pennells of *The West Australian* raised the issue publicly three weeks ago that the magnitude of the city rail development was brought into the public domain for the first time.

Mr J.N. Hyde: Wrong! The local papers had it six months ago.

Mr M.W. TRENORDEN: The member for Perth should ask each of those proponents in William Street when they found out about the development.

Mr J.N. Hyde: When reading their local papers and from their local members six or seven months ago.

Mr M.W. TRENORDEN: Great consultation! That is exactly how they found out. They found out three weeks ago when they read *The West Australian*. Before that, they had not been approached by anyone from Main Roads, the project manager or the minister's office. To this day, several of them have not been approached at all.

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Mr J.N. Hyde: They were lobbying for the route; they wanted it down the centre of the freeway.

Mr M.W. TRENORDEN: No, they were not. One of the building owners told me yesterday, before flying off to Melbourne, that he had not been contacted by either the Government or its representatives. He was following the issue daily in the media, and that was the only contact that he had. The Government's consultation process is so effective - I really enjoyed hearing this - that yesterday when I asked a question of the Minister for Planning and Infrastructure she got on the blower to the department and ordered the project manager down to the main street. The minister then rang the agent and asked for a list of the tenants. The minister did not even know who the tenants were. Yesterday the minister was trying to find out who the tenants were. That is the consultation process; there is none!. That property agent said there was no need to provide the list of tenants because the minister had already told the world she knew who they were. It will be interesting to see how this will pan out. There was no list of the people who will be affected and no contact numbers for those people. I will quote the minister's response to a question on 10 September 2002. The minister stated that there was nothing new about this because the enthusiasm of the private sector to work with the Government on this critical development meant it was unlikely it would have to use its resumption power.

The Government will need to acquire up to 13 properties in the William Street commercial precinct and to compensate those leaseholders. This will saddle the taxpayer with up to \$70 million of debt. Before the minister gets too excited about her answer to me in question time, I advise her that a letter written to her on 23 September - I know that was a long time ago - from the Werrett Property Group, clearly outlines the lessee has an eight-year lease. If the minister had read her correspondence, she would know that. Securing the William Street precinct is essential for this project. The Government has allocated \$195.5 million to the tunnel section from the Narrows Bridge to Northbridge. Currently, no funding has been allocated to acquire and demolish the William Street precinct. Even though it looms as the single greatest government property acquisition and compensation program in Perth's history, there is no budget whatsoever!

The minister told the House yesterday that the project would be cost neutral. That is yet another inconsistency. In a reported statement in *The West Australian* on 18 September 2002 the minister said -

... if the Government did have to buy the land, it would be able to sell it later for much more than it paid. .

Ms A.J. MacTiernan: Where is the inconsistency?

Mr M.W. TRENORDEN: I will tell the minister. If the minister can pretend for a moment that she will achieve cost neutrality and is not trying to make a cosy little deal with someone or to become the minister for property development, there are two ways this project can be cost neutral. The first applies if the Government is currently negotiating with a third party to rebuild on the site. If that is the case, the minister needs to come clean with this House and let the people know who that third party is and what special deals she is engineering. The second way is for all the current owners to form a consortium and redevelop the site. Given that we know the Government has not currently held detailed discussions with those owners and the minister has not talked to them, and we know there is no consortium option because we have been talking to those people, the Government must be engaging in some sort of secretive backdoor deal. Already there are echoes of the bad days of WA Inc in this project. We all remember the Westralia Square development in which the state purse was so scandalously battered because the State was used to underwrite property development. Is that what we are talking about here? Are we heading down that same route?

The minister said yesterday in the House that the Valuer General had assessed the precinct in November 2002. What is the minister hiding? That was well before the master plan and the advisory committee report. The minister should keep that date in her mind. November 2001 is an important date. It is yet another inconsistency from the minister.

A letter from the city rail development project manager says that demolition on the William Street site will commence by June 2003. The minister said in response to a question in the other place yesterday that it would take 18 months to remove asbestos from the old Myer building. Is the minister intending to put workers on that site at risk? We had 2 000 people at the front of Parliament House yesterday complaining about safety regulations in the building industry.

Ms A.J. MacTiernan: Demolition includes removal. When we say we are beginning the demolition process, the first thing to be done as part of that demolition process is to remove the asbestos.

Mr M.W. TRENORDEN: The minister said that process would take 18 months. That is another inconsistency from the minister.

Ms A.J. MacTiernan: Where is the contradiction in that?

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Mr M.W. TRENORDEN: The minister said this would start in June 2003.

Ms A.J. MacTiernan: Yes. That is when we will start it and we will take 18 months.

Mr M.W. TRENORDEN: The Government has to acquire those buildings before that date. The minister has lost control of this process. The minister is using secrecy to hide the Government's ineptitude in dealing with property owners, managers, tenants and workers. The minister has not spoken to any of those people.

Ms A.J. MacTiernan: I have not spoken to them personally, of course not.

Mr M.W. TRENORDEN: The first contact with any of those people in William Street was one week ago. That is hardly consultation or open and accountable government.

The stakeholders have been treated with contempt and been bombarded with bureaucratic doublespeak. They have no idea where they stand and they have lost confidence in the minister. Some owners and tenants have engaged a Queen's Counsel as they prepare to deal with this Government. At best, this Government is acting arrogantly and, at worst, deceptively. If these people were confident in the process, why would they consult a Queen's Counsel. That is the measure of their concern.

Ms A.J. MacTiernan: Who is the Queen's Counsel?

Mr M.W. TRENORDEN: I know who the Queen's Counsel is; the minister should ask those people.

The minister failed to consult with the public and stakeholders prior to engineers shifting the rail tunnel from under the centre of William Street to under the buildings. There has been no consultation. When it first hit the Press, we were told the tunnel would be built under William Street. All of a sudden, it will go under the 13 buildings. Did the minister tell the tenants, the owners or the workers in those premises? No, she did not. She did not bother. This will have a huge impact on the rail budget. The minister said nothing at all about these 13 buildings that are lined up for the wrecking ball.

Ms A.J. MacTiernan: What is the claim that the Queen's Counsel will prosecute against the Government? What is the basis of the claim?

Mr M.W. TRENORDEN: They will defend their position when the Government tries to acquire these properties.

Ms A.J. MacTiernan: They are tenants and they are going to fight the acquisition. That is most unusual. Under the National Party, will we see a complete revision of property law?

Mr M.W. TRENORDEN: We are seeing an exposé by the National Party that the minister has not even bothered to talk to these people. If the minister had negotiated with these people, and if she had not done some deals in the corridor 15 minutes ago, she would not have had anything to say at question time. The minister has not even spoken to these people. It is not for me to tell the minister what they are going to do.

Ms A.J. MacTiernan: I want to understand. I am taking your concerns seriously.

Mr M.W. TRENORDEN: As the minister should.

Ms A.J. MacTiernan: I am struggling to work out what they are.

Mr M.W. TRENORDEN: I will put them in a nutshell.

Ms A.J. MacTiernan: We have a number people who are tenants and those tenants are going to take legal action. I want to know what the legal action is because I cannot imagine what it would be.

Mr M.W. TRENORDEN: They will defend their rights in the acquisition. There are mechanisms and a range of options open to them. As a former mayor, the member for Ballajura would know this.

Mr J.B. D'Orazio interjected.

Mr M.W. TRENORDEN: It depends on how one goes about it, but some are defensible. That is the consultation process. If the member thinks that is a great consultation process, he should tell people.

Mr J.B. D'Orazio: Don't tell me; you're making the argument.

Mr M.W. TRENORDEN: I am running out of time. This is a time bomb that will go off.

Several members interjected.

Mr M.W. TRENORDEN: Yes, it will go off. In March 2002, businesses in the precinct learnt that William Street was the most likely candidate for a tunnel under the road reserve, but were never given any information about it. In June 2002, the Perth City Rail Advisory Committee's final report showed that the routing of the tunnel had been shifted eastwards of the road reserve and was under the 13 buildings. In August 2002, just days

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after Steve Pennells' article, *The West Australian* ran a story on the massive scope of demolitions to key buildings in that area. In September 2002, an extraordinary letter - the letter-writing process is fantastic - was written by the project director of the city rail development project, which unnerved stakeholders even further. The correspondence has been fantastic! The project director asserts that the tunnel and platform construction techniques have yet to be finalised and that demolition of the precinct is the current scenario. I quote from the letter -

I am unable to provide specific information in relation to the land acquisition and compensation processes . . .

That is consultation. The letter further states that it may be useful to view information on land acquisition on the Department of Land Administration's web site. Therefore, if people have any queries, they should go to the web site. The department will not talk to them; they should go to the web site. The letter also states -

Consultation with affected property owners, tenants, businesses and their employees is a priority task which requires urgent attention.

In that letter, which was written yesterday, it is admitted that there has not yet been any consultation. This has been a cat and mouse process, which has been appalling. I must read to the House the best line of the letter, which states -

I appreciate your concern and your understandable frustration at the lack of definitive information able to be provided to date.

That is the consultation process. That letter was written under the hand of the project director.

The Government is desperately trying to keep this project together. It keeps dancing around because it has no plan. Even today we heard that maybe the deviation would not be as far to the east as it was thought it would be; it might be moved further back towards the line of the road, and only half the building would be taken. That is only half as bad! The fact that nobody will have any access to the building is neither here nor there. All the service delivery entries to the building will be removed, and there will be a vacant big hole. However, according to the minister, that will not be a problem.

Massive disruption to the city centre and to businesses, their owners and employees is coming up. Employees will be put out of work. The King Kong building covers an area of two and a half thousand square metres. Nowhere in the central business district will that area of square metres be able to be found. The people who are working in those premises are likely to be out of work, mortgages will not be able to be paid and there will be huge disruption. Those people have not been consulted.

Mr J.N. Hyde: What sort of lease is King Kong on?

Mr M.W. TRENORDEN: Eight years.

Mr J.N. Hyde: What about the monthly rollover?

Mr M.W. TRENORDEN: That letter came from the project director. The member should tell me his source.

Mr J.N. Hyde: Is it eight years, with no rollovers involved in those eight years, for the entire King Kong site from Murray Street Mall to Wellington Street?

Mr M.W. TRENORDEN: The member will be surprised to hear that it is one building. It has an ongoing lease that is registered by caveat and extends for a period of another eight years approximately.

Mr J.N. Hyde: Ongoing?

Mr M.W. TRENORDEN: Yes. I have run out of time. It will be an interesting process to see how this project develops.

MS K. HODSON-THOMAS (Carine) [3.14 pm]: The more we examine the decision and process to change the route of the south west metropolitan railway, the more we are convinced that the process, particularly in relation to the Government's open and accountable platform and, equally, its consultation with the community, has, at best, been a smoke and mirrors exercise. The Leader of the National Party is quite right that it flies in the face of Labor's election commitment to an open and accountable platform.

As I have stated previously, the Minister for Planning and Infrastructure never intended to seriously consider any alternative to the central route. The response that the minister gave to the Leader of the National Party during question time yesterday when he sought information on the Valuer General's valuation report regarding the cost of acquiring the buildings, as well as compensating leaseholders, was very interesting. As we know, the date of that report is 27 November 2001. The Leader of the National Party has alluded to the fact that the Perth City

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Rail Advisory Committee was established in November last year as well. I remind everybody in this place that its task was to examine the route from the Narrows Bridge to the central business district, and to examine alternatives, given the outcry at that time by the City of Perth and Perth property owners. It is interesting that the Valuer General's report is dated 27 November. It is yet another example of how, on the one hand, the Government acts as though it is listening to the community, but, on the other hand, it fails to keep its promise of real consultation, not to mention honouring its platform of accountability and openness. Further to that, the original central route, as I understand it, was to go directly down William Street, and it would not have required the acquisition of any buildings or land in association with a requirement for the Valuer General to make a report. I find that matter very curious indeed.

The Perth City Rail Advisory Committee identified three genuine routes. We know that they were the eastern route, the central route and the western route. We also know that the cost of the eastern route was prohibitive and that the minister preferred the central route. The committee was established to re-examine those alternatives. From public comment, we know that there was a great level of support for the western route, but subsequently the minister announced in July that the enhanced central route would go ahead. So many questions are still to be answered. There have been very few detailed responses to the questions that we, the Opposition, National Party members and Independents have asked. Last Friday when we dealt with the enabling legislation for the Perth to Jandakot railway, it is interesting that it was commented that people had had sufficient and ample opportunity to properly scrutinise that legislation. I certainly do not believe that that is the case. Many attempts were made to gag an open dialogue. That is yet another example of how this Government is not honouring its commitment to an open and accountable platform.

I will also deal with the lease that the Leader of the National Party alluded to. The minister, in her reply today, stated that it was a rolling lease of some six months. I will also quote from a letter that the Werrett Property Group sent to Mr R. Mann, the project director of the city rail development at the Western Australian Government Railways Commission. In one part, it reads -

As explained to you during our recent meeting, Mr Bowden has been an occupier of the Old Myer Building for approximately twelve years and has an ongoing Lease which is registered by Caveat and extends for a further period of approximately eight years.

Despite your claims to the contrary, at no stage prior to our meeting on the 13th September 2002, has anybody made any contact with Mr Bowden in relation to the Government's plans.

Mr J.N. Hyde: Is that from an owner of the property?

Ms K. HODSON-THOMAS: No, the letter was from the Werrett Property Group, which represents the leaseholder.

Mr J.N. Hyde interjected.

Ms K. HODSON-THOMAS: Was the member not listening?

Mr J.N. Hyde: I am just clarifying it.

Ms K. HODSON-THOMAS: I understand that a condition in the lease provides the owners with a right to redevelop the property, but that does not give the Government the right to exercise that condition. The lease gives only the owner the right to exercise it. The lease is for eight years. I have tried to confirm that, so that the minister has a clear understanding of this matter. Her answer in response to a question today was a load of nonsense at best.

Mr J.N. Hyde: But the owner has the right to redevelop, whether it is an eight-year or 80-year lease.

Ms K. HODSON-THOMAS: That is right. Nevertheless, the Government does not have the right to use that condition at all. I have limited time in which to speak. A letter sent to the Werrett Property Group relates to some comments the minister made in her response today, and states -

A preliminary project schedule has been developed, based on the overriding Government commitment for rail services to Waikiki to be in place by the end of 2006. The preliminary schedule requires demolition of buildings on the William Street site to commence by June 2006.

That was a typo. This is the information that leaseholders have been given. They have been told that the demolition of the buildings will not be required until June 2006. That letter was sent on 20 September. Mr Mann subsequently decided that he had better send another letter. The correction in the second letter states -

A preliminary project schedule has been developed, based on the overriding Government commitment for rail services to Waikiki to be in place by the end of 2006. The preliminary schedule requires demolition of buildings on the William Street site to commence by June 2003.

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The Leader of the National Party rightfully highlighted that these people are frustrated by the process. Yet Mr Mann states in his second letter -

I look forward to providing further detail as it becomes available and undertake to ensure that from this point forward, you are regularly updated on project status.

Quite frankly, that detail has so far been absolutely abysmal. The minister needs to get this right.

MR T.K. WALDRON (Wagin) [3.22 pm]: I will talk about the potential financial and social costs of securing this precinct. It will cost \$40 million for the Myer site alone, including compensation. It will cost \$5 million to remove asbestos from the old Myer site, and could take up to 18 months if the public interest is to be fully safeguarded, which it surely must. It will cost between \$20 million and \$25 million for the acquisition of and compensation for at least 11 buildings in William Street. Cost overruns will have a profound effect for years to come, particularly on programs throughout regional and country Western Australia.

The primary objective of the National Party is to ensure transparency in central business district property dealings, and to mitigate the potential risk associated with this central route. The final report of the Perth City Rail Advisory Committee, which recommended the William Street tunnel, contains no cost estimates for possible property acquisition, demolition or compensation. In every public document released by the Labor Government, the public has been told that 1.6 kilometres of tunnel from the Narrows, under William Street, to an exit near Lake Street will cost \$195.5 million. Not one document tells the public about the cost of securing the William Street buildings or who will negotiate these deals on behalf of the Minister for Planning and Infrastructure. The owners, building managers and workers were briefed in March this year, but the true story about the fate of the precinct has been kept hidden. It has already been said that the truth did not come out until three weeks ago, when an article was published in *The West Australian*. Some of the people affected by this project are in the gallery today. They hope to get a handle on what this Government is secretly up to. How the minister intends to cobble together the private-public partnership remains a mystery both to me and to those property owners. I cannot work out how it will be done. The implications of the Government's decision to swing the railway under William Street buildings at the stroke of a pen are manifest. There has been no true assessment of the cost of the exercise. We have heard that it is changing from up the middle to the east and back, and will take out only half the buildings. However, that will surely have an effect on the other half of the buildings. There has been no consultation. There is no understanding of the commercial impact on the stakeholders. This will affect a lot of people.

Ms A.J. MacTiernan: Just like the Northbridge Tunnel!

Mr T.K. WALDRON: I am not talking about that tunnel, I am talking about this one. The lease for the head lessee of the Myer building has eight years to run. He has spent millions on the renovations. The lease is registered on the title. It is not a rollover lease. A subtenant of the old Myer building has just spent \$400 000 on fittings. Some William Street tenants have four years to run on their leases. Managers and staff do not know where they are going or what their future holds. They have not been consulted. The member for Avon reminded members about the Government's commitment to be open and accountable. The Perth City Rail Advisory Committee final report acknowledges that -

This one project, we understand, stands to wield an immense influence on the State's budget and works program,

That greatly concerns the National Party. The blow-out from the original rail budget is unacceptable. The big loser will be regional Western Australia.

Mr J.N. Hyde: There is no blow-out.

Mr T.K. WALDRON: We will see about that.

Mr J.B. D'Orazio interjected.

Mr T.K. WALDRON: I just spoke about the leases. The member for Ballajura did not understand.

Mr J.B. D'Orazio: Yes I did.

Mr T.K. WALDRON: I think the member might have been wrong. This is not the railway that we all previously supported. The change to the route will cause the budget to overrun by up to \$500 million.

MS A.J. MacTIERNAN (Armadale - Minister for Planning and Infrastructure) [3.26 pm]: What a lot of drive!! I have no difficulty with the fact that this is a substantial project and that, over time, there will be a great deal of scrutiny of it. Quite frankly, all we heard today was just a load of old rubbish! There was nothing whatsoever of substance. There were supposed inconsistencies.

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Ms K. Hodson-Thomas interjected.

Ms A.J. MacTIERNAN: I listened to the drivel of the member for Carine, so I ask her to listen to my response.

To the extent that one could make sense of the contribution of the Leader of the National Party, I will address some of the issues he raised. The first contradiction seemed to be that the Perth City Rail Advisory Committee report from which he quoted said that there were unresolved problems with the tunnel going under William Street, but that the Government then approved the William Street route. That is because the Government then got the second PCRAC report, which had worked through all those issues and resolved that by undertaking bore tunnelling -

Mr M.W. Trenorden: Why don't you table it?

Ms A.J. MacTIERNAN: I would like a small window of opportunity in which to explain some of my responses. I should be given that opportunity. The Leader of the National Party does not seem to have understood that there was a second PCRAC report. That report explored the issue of bore tunnelling and concluded that it could be done; there was a way to take the rail through the centre of the city that offered positive planning and economic outcomes for the city and was within the reach of the budget. That is not an inconsistency; the Leader of the National Party has simply failed to understand the logic of the decision-making process.

Both the Leader of the Opposition and the member for Carine rabbitied on about a lack of consultation. I will talk about the consultation process. It is true that once the Government made the strategic decision in 2001, it commenced a consultation phase about the detail of this project. I add that it was the same process that was undertaken for the secret decision made by Richard Lewis in 1993 for the Kenwick option. The Government of the day then commenced detailed discussions with the community about how best to do that. I acknowledge that during the master planning phase concern was expressed by the Perth City Council and a group of other people that the PURD group was not looking seriously at a range of issues that were being raised. I recognised that, and that is why we set up a committee, under the eminent chairmanship of Stuart Hicks and with representatives from the City of Perth, the Property Council of Australia and leading engineers, architects and planners, to look at all the issues. The committee handed down its report in March. The report said that the committee believed there were some unresolved issues about William Street and that William Street as it had originally been devised could not be done and had to be changed; and that unless we could do that, the freeway option was the preferred option. We said we would consider that. We ruled out the eastern option, because that was financially impossible, and we re-formed the committee in March to go through both the western option and the central option. As part of that process, every business owner - not property owner - in the William Street area was visited and asked to come to a forum. About 90 businesses attended one of the forums that were set up to explore the options. The other day in this House the member for Kingsley raised the prospect that some of the leaseholders were very uncertain about their future and whether they would still be in their premises at Christmas. I have no difficulty with admitting that that concerned me. We therefore went out and made sure that they were completely aware of what was taking place.

Mr M.W. Trenorden: When did you do that?

Ms A.J. MacTIERNAN: After the member for Kingsley had raised that issue - I think very sensibly - we went out -

Mr M.W. Trenorden: When?

Ms A.J. MacTIERNAN: Last week during the debate. The member probably was not here.

Mr M.W. Trenorden: Last week?

Ms A.J. MacTIERNAN: That is right.

Mr M.W. Trenorden: Because of all the information we gave you.

Ms A.J. MacTIERNAN: That is correct. I have no problem with that. In this process we have made public announcements about what is happening. I do not know how these businesses could have become aware only three weeks ago. This is normal National Party stuff: its members are asleep in the Chamber, and then, months after everyone else knows something, the Leader of the National Party suddenly wakes up and says it is a scandal! We have been debating it with the member for Carine for months, but the Leader of the National Party just heard about it!

Ms K. Hodson-Thomas: I think what the Leader of the National Party is saying is that this was the first opportunity they had as a group to be consulted.

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Ms A.J. MacTIERNAN: No. Their consultation process was part of the PCRAC examination. The PCRAC spoke to everyone about what it was doing. We need to be a bit realistic. At the end of the day, we are making a decision in the best interests of the community for the next 100 years. There is no doubt that along the way some people will be adversely affected. We cannot possibly build a rail line of this magnitude without some impact. However, we cannot allow that to paralyse and deter us from making a decision. When it was raised in this place that these people were not aware of what was going on - I have to say I found that very surprising - I made sure we went out and told them that there is no proposal -

Mr M.W. Trenorden: Only because I asked you a question.

Ms A.J. MacTIERNAN: It had nothing to do with the Leader of the National Party. It was because of the intelligent comments by the members for Kingsley and Carine. The Leader of the National Party should learn from those two women; they are the only members opposite who have made a sensible contribution to this debate. The other members opposite have just rabbitied on; they have done no research and have been intellectually lazy. The only members who have been prepared to put in any endeavour are the members for Kingsley and Carine. Frankly, I felt sorry for those two members, because they had a lot of questions to ask but were frustrated by the macho ramblings of other members.

Members opposite raised a number of other supposed inconsistencies. One issue was why we had a valuation done in November when we did not decide to move the rail to under William Street until late March. It is true that the idea of going under William Street has been talked about for some time. In the preparations for the deliberations of the Perth City Rail Advisory Committee, we had every building in William Street assessed, because at that stage all sorts of dire predictions were being made -

Ms K. Hodson-Thomas: So that report covers all of the buildings in William Street?

Ms A.J. MacTIERNAN: That is right, and that is why we had that done at that stage. We are now going back and doing some refinements. It is true that we will have to pay \$40 million for buildings. The Leader of the National Party got up and thumped his chest and said that this was really bad. However, it is a mere bagatelle compared with what the former Government had to spend to put in the Polly pipe. As the Treasurer showed today when he tabled the budget figures, we are a careful Government. We are not a spendthrift Government. We have been carefully beaver away to see how we can minimise costs. We have refined the projection and believe it is possible - although it may not in the end be desirable - that we may need only half of the Myer site.

Mr M.W. Trenorden: Will that be acceptable to the tenants?

Ms A.J. MacTIERNAN: Just as the former Government displaced hundreds of tenants throughout Northbridge in order to build the tunnel, we will have to displace tenants. We do not resile from that. However, we should be sensible about it. The Leader of the National Party should go back to the bush. He is being very silly about this. We have been dealing with the property owners -

Mr M.W. Trenorden: Since when?

Ms A.J. MacTIERNAN: We have been dealing extensively with specific shopping centre owners since June; in fact, even before then during the whole PCRAC process. We have had major discussions with the major property owners - the owners of the King Kong site, about which the Leader of the National Party is so concerned. The Leader of the National Party rang the owners the other day to try to stir them up, and they said they were very happy with the negotiations that were taking place. They have a landlord-tenant relationship with their tenants, and we would expect them to be keen to keep their tenants informed of the status of their leases. The member for Kingsley raised this issue with us the other day and said that some of the tenants were not happy and did not know whether they would still be in the premises at Christmas. We cannot predict what the landlord will do. However, we can give the tenants an idea of the scheduling of this project.

Mr M.W. Trenorden: That is very kind of you!

Ms A.J. MacTIERNAN: Of course it is. We listen to what goes on. I have no difficulty with saying that, from time to time, members on the other side raise a matter of some significance, and we take it seriously and address it. We have done that. I do not have difficulty acknowledging that. This is not about rival egos. This is about getting the right result for the city. When someone says something that is sensible, useful and worthwhile, I will take notice of it. If someone just goes on with bluster and bullying, obviously I will not be deterred by that.

Mr T.K. Waldron: Can I ask you a sensible question? Do you prefer to negotiate with the owners of the buildings etc to try to come to an arrangement or to just go ahead and acquire land?

Ms A.J. MacTIERNAN: I prefer to negotiate a development outcome that does not require -

Mr T.K. Waldron: Why haven't you done that at this stage?

Mr Max Trenorden; Speaker; Ms Katie Hodson-Thomas; Mr Terry Waldron; Ms Alannah MacTiernan; Mr John Hyde; Mr Mark McGowan; Mr Larry Graham; Acting Speaker; Mr Monty House

Ms A.J. MacTIERNAN: That has commenced.

Mr M.W. Trenorden: Yesterday.

Ms A.J. MacTIERNAN: No.

Mr T.K. Waldron: People are telling us that that is not happening.

Ms A.J. MacTIERNAN: No wonder the Leader of the National Party had to leave his insurance business and come into Parliament! He has not even grasped the basic difference between a property owner and a tenant. There is a difference between a property owner and a tenant. When the Government considers the acquisition of a site, it must talk to the property owner, and that is what it is doing.

Mr T.K. Waldron: If someone has an eight-year lease that is registered on the title, surely you would want to talk to that person about what arrangements can be reached?

Ms A.J. MacTIERNAN: We certainly want to inform these people of what is going on. We were made aware that somehow or other they had missed all the news and had not heard what everyone else in the city had heard, so we made them aware of those issues. However, we cannot negotiate with them about the terms of their leases. That is the relationship. I am happy to have a basic discussion about landlord-tenant relationships with the member at a later stage. However, we cannot negotiate with individual leaseholders. We can negotiate only with the property holders.

Mr T.K. Waldron: Surely you can talk to them. The Government talks about consultation.

Ms A.J. MacTIERNAN: We are talking to them; I have said that. However, at the end of the day, they must negotiate with their landlords. We can and will ensure that they are properly informed.

All sorts of allegations have been made that an unnamed, secret Queen's Counsel is taking an unnamed secret action. What can I say? How can I possibly respond to that? I do not have any idea what the course of action is or who the QC is. However, the Government will not allow the project to be derailed simply because there will be some disruption. Of course we cannot complete this project without some disruption. We are not being cavalier about this. We will ensure that every tenant is properly informed of the progress of the project. However, at the end of the day, our negotiations on the development of the site must be with the building owners. Talk about secrecy! The previous Government had a very secret railway plan. Year after year it promised to build a railway line, and it was such a secret that no-one ever saw it! The difference between our rail project and the previous Government's rail project is that ours is a real one. People will be able to see it on the ground; it will be more than a concept. We will be very proud of the rail system that will be put in place.

I welcome questions. When an issue is genuinely raised that shows that perhaps there have been some shortcomings in contacting people, we are unashamedly prepared to respond to it. However, we urge members to do their homework and to try to be a little sensible about the issues they raise.

MR J.N. HYDE (Perth) [3.43 pm]: I rise to support the minister and to provide a bit more information on the emotive motion that has been raised by the Leader of the National Party. There has been a huge degree of public consultation on this issue. My press release of 1 May this year referred to the new bored tunnel in William Street as a winner. The Leader of the National Party raised the problems associated with boring that tunnel and said that no research had been done on the issue. Those of us who have been to public meetings and who have taken up the offers of consultation have seen the figures from the systems in Port Hedland and Singapore. In my press release, which was used in both local newspapers, I referred to the many advantages of the bored tunnel, as used in Singapore and beneath the Port Hedland seabed, and said that the new boring technology is just as cost-effective but is much less disruptive. The Perth City Rail Advisory Committee asked for more information on the technology and when it received that extra information, it found that the cost was lower. Since the master plan was first developed, refinements have been made, and they have all been positive. The issue with the tunnel from the Murray Street Mall to Wellington Street is about how much land will need to be cut and covered on what members have called the King Kong site, as well as on other sites. As the plan is refined, changes will be made. That has been proved by the minister being up front and accountable on these issues.

I take members back to February and March when the heritage value of buildings in William Street was raised. The issues of facades and heritage value were debated in my local community with some business owners. The Government was quite open and accountable and said that it was not planning to retain entire buildings during the construction of this rail line and that if buildings had heritage value, their facade would be retained. This is a policy that perhaps some in the Heritage Council are not au fait with. The people of Western Australia have embraced the policy of heritage retention. We like facades; they are part of our heritage.

Ms K. Hodson-Thomas: How many of those property owners attended the business forum to discuss that issue?

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Mr J.N. HYDE: There have been a number of opportunities for people to do so. A number of people lobbied the Government from both angles on the choice of route. Every business owner and leaseholder lobbied the Government to achieve the best outcome for their businesses. When the people who were originally dead against the cut and cover system from the Esplanade to William Street came to the briefings and saw the figures, and realised that an escalator would drop an extra 130 000 passengers right in front of their businesses in the Murray Street Mall, suddenly they were in favour of the William Street route. They are still in favour of that route, even if it means they will have to cease operations for eight or nine months, because, if they have long-term leases, their businesses will be significantly better off. This is an individual decision that businesses will have to make. If a business must close for six or seven months to take advantage of a greater customer pool in a better building, that is a business decision. All this information will be available to these people. It is all part of the consultation process.

I hark back to one point. I have an office in William Street. I am now in my second office in William Street. I was given two days notice to vacate my first office in William Street.

Ms K. Hodson-Thomas interjected.

Mr J.N. HYDE: No, I was not. I have not gone to a QC. There is nothing I can do legally, because the Department of the Premier and Cabinet did not have a lease that prohibited the landlord from kicking me out with only two days notice. I welcome the minister saying to the leaseholders that the Government is aware of their situation and they will not be given two days notice, as was the member for Perth. This issue will be subject to some discussion and refinement.

Another issue that has been raised constantly - I think it was quite a good issue, but members opposite failed to pursue it today - was the length and width of the platforms. Obviously, as that information becomes available and we know the exact minimum length that is required for four carriages or for potential future carriages, it can be refined further. If it is possible to bring the cut and cover tunnel closer to William Street, I am sure the engineering experts will do that. That is why slight refinements are being made all the time. However, the point was raised, as with the Northbridge tunnel and the Kenwick route, that the concept, the master plan, the intricate drawings and the engineering works are prepared correctly before the tenders are released. As members would realise from the debate last week, the project is nowhere near the tender stage. The Bill must still pass through the upper House. The refinements undertaken in meetings held by the Perth City Rail Advisory Committee indicate that the best possible route and conditions have been chosen for the rail. The minister was correct to compare this project with the Northbridge tunnel, which caused massive dislocation to people with very little consultation on the cut and covered tunnel. This project has been refined so that the tunnel will be cut and covered for fewer than 400 metres. A massive amount of territory will be covered by bored tunnel. In answer to the query on the boring of the tunnel, all that research has been done and the Government has chosen boring because of the lack of disruption to the areas surrounding the Esplanade and William Street.

Ms K. Hodson-Thomas: The land-holders were asking for the process to be correct. So far there has not been a process -

Mr J.N. HYDE: There is a definite process and the minister has outlined that process. This Government has learnt from the horrific mistakes that the Court Government made with the Northbridge tunnel.

MR M. McGOWAN (Rockingham - Parliamentary Secretary) [3.51 pm]: I am pleased to be contributing to this debate. I am amazed that this issue is being raised yet again by the Opposition. We have debated this issue on probably 15 separate occasions. The Opposition is on a loser. The rail line to Rockingham and Mandurah is very popular. We must examine the motivation of the Leader of the National Party in moving this motion. At every single question time he essentially repeats the same questions. His motivation is simple: it is to put a wedge between the city and the country. He is engaging quite simply in wedge politics. The National Party is on record last week as saying that it does not believe there should be a southern suburbs rail link. That is the National Party's motivation. It is now trying to find any little issue along the route of that rail link as a reason that there should not be one, because it believes that plays well to its constituents.

Mr M.W. Trenorden: Do you want to make yourself a super star? Would you like to see the lease?

Mr M. McGOWAN: I am pointing to the motives of the Leader of the National Party, which are clear to anyone who has listened to this debate. At the same time that the National Party believes that 300 000 people should not have a rail link in the south western corridor - a part of the State with a rapidly growing population - the *AvonLink* train goes directly to the Leader of the National Party's electorate. Not only does the *AvonLink* go directly to Northam, but also this Government will spend up to \$20 million on refurbishing it. Do members know how many people use the *AvonLink* on a daily basis? It is 30.

Mr B.K. Masters: It is 45.

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Mr M. McGOWAN: Between 30 and 45 people a day use the *AvonLink*. It is a good thing to have a rail link to the Leader of the National Party's electorate. I am perplexed about why he believes that people in my area should not have one and why he is a dog in the manger on this issue. In his electorate 30 or so people a day use the *AvonLink*, which runs on three separate occasions - down, up and back - and on average has 10 people per journey. This Government is spending \$20 million on it. The *AvonLink* has been operating for decades servicing people in Northam. The Leader of the National Party believes those people should have a train service but that people down my way should not.

Another point raised in the motion of the Leader of the National Party is secrecy. I am incredulous that he believes there is secrecy in this process. Last week the House spent about 20 hours debating this Bill. The Leader of the National Party raised the issue on 15 separate occasions, in questions without notice and in private members' business week after week, so much so that it made members want to cry. The Government has provided him with answer after answer after answer. The master planning process is now well under way, a contract has been let for the design of all the stations along the rail link and for the construction of the railcars. The last Government for years promised this rail link. Accountability has been put in place, yet the National Party claims secrecy. I am amazed that the National Party can continue to run that line on this issue because it has been given so much information that it will not be able to read it all. The issue of the city-country divide that the National Party is running will not work because this project will be very popular throughout the entire State. It is popular in the southern suburbs and something to which the people in my area are looking forward.

MR L. GRAHAM (Pilbara) [3.56 pm]: I did not intend to speak on this matter until the last speaker who encouraged me out of my box. If the member for Rockingham believes that country people in Western Australia are sitting around saying, "Gee, those lucky sods in Rockingham are getting a railway worth \$1.2 billion -"

Ms K. Hodson-Thomas: \$1.42 billion.

Mr L. GRAHAM: I am sorry, \$1.42 billion. I knew there was a two in there somewhere. The member for Rockingham is wrong if he believes that those country people are saying, with some form of deep regret, that they do not have the same facility.

Mr M. McGowan: No, I do not think that.

Mr L. GRAHAM: He is wrong if he thinks that country people in Western Australia are questioning this rail in some way with envy.

Mr M. McGowan: I do not think that.

Mr L. GRAHAM: I will tell the member for Rockingham that this railway line at \$1.42 billion will save 12 minutes travelling time in peak traffic for a tiny proportion of this State's population. There are people living in Marble Bar who have waited 45 bloody years for a road.

Ms A.J. MacTiernan: And we are doing it. It is under way. We are building the Marble Bar road.

Mr L. GRAHAM: No Government has ever found its way clear until this year -

Ms A.J. MacTiernan: Last year.

Mr L. GRAHAM: Last year, I am sorry - to commit the funds to allow it to be done. People have waited 45 years for it.

Ms A.J. MacTiernan: This Government is doing it. We are going to build a rail and we are doing the Marble Bar road.

Mr L. GRAHAM: I am agreeing with the minister. I have actually said nice things about her. Those people have waited 45 years for that road to be built and, until the last 10 years, they have not had two successive years of funding in those 45 years. That is what country people put up with in this State. Urban transport is a big thing for the Labor Party. Twelve months ago, member for Rockingham, I asked the Premier whether the State had a strategy to deal with the collapse of Ansett Australia and the answer was no. Twelve months later the Government still does not have an answer, member for Rockingham. Airlines are our public transport system. That is how we get to the doctors. Qantas has said it cannot make decisions about remote and regional Western Australia until the Government makes up its mind about what it is doing. While the Government is holding another inquiry it can find \$1.4 billion for a tiny minority of people in the southern suburbs. That is patently unfair. For someone to stand up in this place and paint those kind inequities as wedge politics is false; it is not accurate.

The ACTING SPEAKER (Mr A.D. McRae): Is the member for Pilbara resuming his seat because he has concluded?

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Mr L. Graham: No.

The ACTING SPEAKER: Then I draw the member's attention to the time. This matter will be set aside. I am taking advice from the Clerk and if the member wants to dissent he can. Standing orders say that at four o'clock on Wednesday we revert to private members' business. Is there any concern about that?

Point of Order

Mr M.G. HOUSE: Mr Acting Speaker, obviously we cannot stand when you are standing, so there is not much point in your standing and asking if we have an objection because we cannot stand to reply.

As you have now resumed your seat, most of the House would rather conclude a matter of public interest before we go to private members' business. We have a minute or two to run at the most. Surely we ought to be able to conclude a matter of public interest.

Debate interrupted.

[Continued below.]