

Dr Judy Edwards; Mr Bernie Masters; Acting Speaker; Mr Jeremy Edwards; Mr Paul Omodei; Mr Rod Sweetman; Mr John Bradshaw; Mr Brendon Grylls; Mr Max Trenorden; Mr Terry Waldron; Mr Colin Barnett

MACHINERY OF GOVERNMENT (WATER RESOURCES) AMENDMENT BILL 2003
WATER RESOURCES MANAGEMENT (ADMINISTRATION) BILL 2003

Cognate Debate

On motion by Dr J.M. Edwards (Minister for the Environment), resolved -

That leave be granted for the Machinery of Government (Water Resources) Amendment Bill 2003 and the Water Resources Management (Administration) Bill 2003 to be considered cognately, and for the Machinery of Government (Water Resources) Amendment Bill 2003 to be the principal Bill.

Second Reading - Cognate Debate

Resumed from 29 October.

MR B.K. MASTERS (Vasse) [4.43 pm]: I advise the House that the Liberal Opposition will not support these two Bills. I will use the time available to me to explain why we have some serious concerns about aspects of the legislation. There is no doubt that the legislation contains some useful improvements to the way in which water resources are managed in Western Australia. However, we do not agree with several of the fundamental changes that this Government proposes to make to the way in which water resources are managed currently.

The ACTING SPEAKER (Mr A.P. O’Gorman): I ask members who are having conversations to please take them outside, as it is very difficult to hear the member for Vasse?

Mr B.K. MASTERS: The Water and Rivers Commission was set up in the mid 1990s by the previous Liberal Government because it acknowledged a need to separate the regulatory and service delivery functions of what was then the main government agency for water supplies, namely the Water Authority of Western Australia, due to a potential conflict of interest between those two sections of the authority. That happened with the forestry side of the Department of Conservation and Land Management. Pressure developed over time to separate that department into the Conservation Commission of Western Australia on one hand to manage the timber resource and, on the other hand, the Forest Products Commission to handle the utilisation of that resource. Very similar philosophies applied in the mid 1990s to the way in which the previous coalition Government both managed and supplied water to the citizens of Western Australia.

I appreciate that this is a cognate debate; however, it is important to point out that the Machinery of Government (Water Resources) Amendment Bill seeks to modify a wide range of other legislation, from the Country Areas Water Supply Act 1947 through to the Rights in Water and Irrigation Act 1914 and a number of other important pieces of legislation. The Machinery of Government (Water Resources) Amendment Bill is consequential legislation to the Water Resources Management (Administration) Bill before us today. All my comments, including a few positive comments, will be directed towards concerns about the latter Bill, the Water Resources Management (Administration) Bill.

Currently, the Water and Rivers Commission manages water resources in Western Australia. The commission itself comprises a board, under which a group of public servants undertakes the various powers conferred on the commission by the existing legislation. The board comprises members who are selected by the minister. The board reports to the minister and, although it may not be subject to public voting in the appointment of its members, it provides a degree of accountability and transparency in the way in which water resources in Western Australia are regulated and managed. In the six to eight years that the board of the Water and Rivers Commission has operated, it has generally done a good job and I commend the efforts put in by the board members. At the same time, I must say that in the previous term of government, once the separation of powers occurred and the Water Authority of Western Australia was split into the Water Corporation, on one hand, and the Water and Rivers Commission on the other, I was not aware of many complaints at all about the way in which the Water and Rivers Commission had operated during that previous term of government. However, times have changed. I propose later in my comments to highlight some of the severe difficulties that have occurred in the management and regulation of water resources, not because of deficiencies in the legislation, but because of deficiencies in government policy and because in my view the minister has not provided the leadership and vision that is needed to allow that government agency to operate to its full effect.

I understand that the Australian Labor Party policy in the lead-up to the 2001 election was to combine the functions of the Water and Rivers Commission with those of the Department of Environmental Protection. Whether or not that intention was enshrined in ALP policy, the consequence of it was to give the combined department the new name of “Department of Environment”. As part of that, and I guess resulting from the Machinery of Government Taskforce report, the commission and the board were to be abolished and the licensing powers and many management and other regulatory powers of the board were to be given to the chief executive officer of the new Department of Environment. In effect, that means that many more powers will be

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given to the minister. The minister will have the ability to direct the Chief Executive Officer of the Department of Environment to do whatever activities he or she - in this case, she - believes necessary to meet government policy. That is a significant concern of the Liberal Opposition. Clearly, many government agencies in Western Australia have CEOs with significant powers. I do not wish to be seen to be criticising the CEOs or the way they have exercised those powers in the past. Nevertheless, the Liberal Party believes that this measure will hand over powers from an elected board, which has a certain degree of accountability and transparency, to the CEO, who will be subject to direction from the minister. That is a weakening of transparency and accountability, which were two policy platforms on which the Government was elected at the 2001 election. The Government is diminishing the degree of accountability and transparency available to the public of Western Australia within the minister's portfolio responsibility.

The legislation seeks to set up a new advisory council; namely, the Water Resources Council. In many ways, the council will mimic some of the duties - but not the functions, which will effectively be abolished - of the previous Water and Rivers Commission Board. Having the Water Resources Council is certainly better than having no such council to advise the Government, the minister and the people of Western Australia on matters relating to water resources management and usage in this State. As far as it goes, the establishment of the Water Resources Council is a good thing, but it does not compensate for the loss of the Water and Rivers Commission Board with its statutory powers.

The Water Resources Management (Administration) Bill 2003 also seeks to abolish management authorities. This is a good move. I divert to spend a few minutes talking about my experiences with different mechanisms used in the past to try to achieve catchment or waterways management in Western Australia. My experience is with the Leschenault Inlet and Wilson Inlet Management Authorities, which to a large degree were animals of government set up with a large number, if not a majority, of government representatives and a few carefully chosen members of the community selected by the Government or minister of the day through a public request for names. Those authorities, for the most part, contained good people with the best of intentions. The Leschenault Inlet Management Authority tended to be top-heavy - I will not say overweight as I do not know the physical characteristics of most of its former members - with people from government agencies and a minority of people from the community. This resulted in a group regarded in the community as being created to change the way the community managed the areas involved, but there seemed to be a lack of real involvement by the community.

Geographe Bay, the area with which I am most familiar, is not an area of water that under most legislation would be considered appropriate for management by a management authority such as those about to be abolished. However, in the late 1980s and early 1990s, significant community concern arose about the failure of any government agency to at least try to achieve better management of the Geographe Bay marine area, which, in turn, required better management of the catchment from which water flows into Geographe Bay. In 1991, I think, the Shire of Busselton, to its credit, called a public meeting to discuss problems of pollution, diminishing fish resources and so on in Geographe Bay. A group arose from that meeting called the Geographe Bay Advisory Committee, which was very much a community-driven body. Although it started with the support of the Shire of Busselton, it quickly expanded to take in a representative or two from the Shire of Capel. Therefore, two local government bodies were involved in the day-to-day management and advisory duties with the Geographe Bay catchment. Membership of the advisory committee overwhelmingly comprised community representatives. One of the first things the committee saw was a problem in managing the water quality entering Geographe Bay. The early history of the advisory committee was a focus on solutions to coastal erosion. Many members of the advisory committee were frustrated at the lack of an investigation into the big picture by the committee. By about 1994, by which time I was a member of the committee, a move was made to change focus. About that time, I had the honour of being elected to chair the advisory committee. The strong message I received from community members on the committee was that it was essential that a management plan or strategy be prepared for the Geographe Bay catchment so that improvements could be made to water quality and other environmental values in the bay.

Without going into detail, the then Ministry for Planning and Urban Development provided resources, and allowed a draft management strategy to be produced. It was a draft strategy, not an action plan. In 1996, the then Minister for Planning, Hon Graham Kierath, agreed to the suggestion that a better way of doing things was needed. If I have my timing right, this coincided with the break-up of the Water Authority of Western Australia into two sections, one of which was the Water and Rivers Commission. A steering committee was established, from the deliberations of which was born the Geographe Catchment Council, or GeoCatch as it is known. GeoCatch has been an outstanding success. Dominated by farmers and other community members in the Geographe Bay catchment, and funded to relatively modest amounts by the Water and Rivers Commission, GeoCatch has been successful in significantly changing public attitudes about catchment management and the action necessary to protect Geographe Bay.

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Geographe Bay never had the old Leschenault Inlet Management Authority-style body. Instead, it started off with a very strong community background. I am pleased that the Cockburn Sound advisory body has been established since then. Can the minister help me here?

Dr J.M. Edwards: It's the Cockburn Sound Management Council.

Mr B.K. MASTERS: That body was set up in a similar way to GeoCatch. It is community based and includes many people from industry in this case. It has no regulatory powers, but contains many members of different government agencies. If a problem needs to be resolved, those government agencies and their staff will be given the task of improving various aspects of catchment management. That is the case with both the councils responsible for Geographe Bay and Cockburn Sound. The Liberal Party supports the abolition of management authorities, particularly if that will mean that Western Australia will now be able to go down the path of having more community management bodies such as GeoCatch and the Cockburn Sound Management Council.

The Liberal Party wishes me to pass on some concerns about this legislation. First, part 2 of the Water Resources Management (Administration) Bill allows for the creation of the Water Resources Ministerial Body. I acknowledge the information that was provided to me and the member for Greenough when we were briefed by the minister's staff and by people from the Water and Rivers Commission and the Department of Environment. In that briefing it was explained to us that we need a ministerial body to take control of the large number of parcels of land that are held by the Water and Rivers Commission as a consequence of the break-up of the former Water Authority of Western Australia. At first glance it seems reasonable to accept the argument put by the Government that it does not want to have to change a large number of pieces of legislation every time there is a change of name of the minister in charge of water and related issues, or a change of portfolio structure within government. However, that raised two concerns, which at the time I was not aware of and hence was not able to raise with the staff of the minister or the department. The first concern was that I am told that there is an Act of Parliament, the name of which escapes me for the moment, but it dates from about 1974, that takes account of the ability of a government agency that is the owner of land - that is, not land that is reserved through the Department of Land Administration to a government agency, but land that is essentially freehold land owned by a corporation, a minister or whatever - in order to allow its purposes to be fulfilled. As I understand it, that Act of Parliament, which dates from some 30 years ago, overcomes the concern that was raised in the briefing. It would be nice if the minister could explain why that 30-year-old piece of legislation cannot achieve the outcomes that the minister is hoping to achieve under part 2 of the Bill. Our second concern - this might be drawing a long bow - is that land that was held by the Water Resources Ministerial Body might be able to be sold far more easily than a reserve that was held under the Department of Land Administration, or freehold land that was otherwise owned by a government agency or held in some other form. I do not know how paranoid I should get. I do not know how many conspiracy theories I should talk about -

Mr R.F. Johnson: Loads!

Mr B.K. MASTERS: Okay! I thank the member for Hillarys. There is a scenario under which people will say, and have said to me, that the Government is having significant difficulty in balancing its budget bottom line because of the inflated cost of the southern rail link proposal, which will be at least \$1.42 billion, or, as the Leader of the National Party has said, at least \$1.62 billion, and is still rising -

Mr A.D. McRae: Nobody believes that.

Mr B.K. MASTERS: I do not know what to believe, and we will find out in the great wash-up once the line has been built. However, the proposition that has been put to me is that the Government is under significant financial pressure. Strikes are occurring in the education system and throughout the public sector, because government employees want more money. Where will the Government get that money from? Well, here is a piece of legislation that will allow a ministerial body to become the owner of land and to sell that land - perhaps with caveats or other restrictions on the title - to raise money to help bolster the budget bottom line.

Dr J.M. Edwards: If only that were true!

Mr B.K. MASTERS: That is a concern that has been raised with me. If the minister can put that to bed -

Dr J.M. Edwards: I will go through that.

Mr B.K. MASTERS: I thank the minister.

Part 3 of the Water Resources Management (Administration) Bill is titled "The Water Resources Council". I am disappointed that there will be no more than six members of the council. The Government has made a big song and dance about the fact that it is very much committed to community consultation and involvement. The six people who will be appointed to the Water Resources Council will be chosen by the minister. I do not have a particular concern about that; I understand that is the normal practice. Clause 10(1) outlines the type of expertise

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and experience that the four to six members of the council shall have. An impressive set of expertise and experience will be required before a person can even be considered for appointment to the council. However, only subclause (d), community development, relates to community interests. In this modern day and age, community interests need to be given greater consideration than was the case in the past. If the minister will be able to appoint only six people to the council, then I am sure she will find herself very much hamstrung, because I am sure also that there will be a large number of very good candidates. The reason I went to some trouble to explain my knowledge and background on both the Geographe Bay Advisory Committee and GeoCatch - the Geographe Catchment Council - is that I believe we need more, rather than fewer, people on the council. We also need people on the council who have expertise and experience from a community water management point of view. However, because of the way the legislation is written, the minister will not be able to appoint more than six people. The legislation actually allows the minister to restrict the number of members on the Water Resources Council to just four. Six is better than four, but it is still too few persons. I would like the number of people to be much larger, so that the members of the council will have a community background and also the expertise and experience in water resources or other fields as outlined in clause 10(1).

The Bill does not indicate - I am not sure whether the minister talked about this in her second reading speech - how these people will be appointed. I hope the minister will put out a call for members of the public to nominate themselves, or other people, for appointment to the council. However, if that will not be the case, I am concerned that the members of the council may be appointed by the minister in such a way that there is no public input and the minister appoints her own personal favourites, or people who are recommended to her by friends, acquaintances, other members of Parliament and other ministers, and so on. That would be less than ideal. If there were a public call for members to offer themselves for appointment to the Water Resources Council and if the minister were to appoint inappropriate people or a biased council - not that I would dare suggest such a thing - the people who offered themselves as members but were not selected would at least be able to go to the Opposition, media or public and say that they thought a bias had been built into the membership of the council. Perhaps the minister could explain the process by which members of the council are likely to be appointed. I do not wish to be too negative, because it is better to have a Water Resources Council than nothing, but the Liberal Party's position is that it is better to have a Water and Rivers Commission with statutory powers and far more openness, accountability and transparency than a simple advisory council.

Another concern of the Liberal Opposition relates to part 4, which deals with general administrative provisions. Clause 22 gives the minister power to direct the chief executive officer. Such a power is a normal part of the way in which Governments do business, but we must remember that we are going from a position in which an elected board of eight or nine people -

Dr J.M. Edwards: They are not elected.

Mr B.K. MASTERS: It is a selected board. People can refer to the annual reports on the Internet, see who those people are and see whether a good balance of people has been selected for appointment to the Water and Rivers Commission. They can make up their minds whether the commission, as it currently exists, is able to do a good job. With the minister's ability to direct the CEO, we will lose a certain amount of ability to hold the council accountable and transparent.

I hope the minister will address a further issue, which relates to clause 23(3). Clause 23 is headed "Delegation by the CEO", and reads -

- (1) The CEO may delegate any power or duty of the CEO under this or a water resources Act to an officer of the Department, or another person having functions under this Act or a water resources Act.

...

- (3) If a person is not employed in the Department . . .

The concern that has been raised with me is that this provision may allow the minister to direct the CEO to delegate powers, for example, to ministerial staff. I do not necessarily believe it, but the issue has been raised with me and, therefore, I will seek at a later stage of the debate to get a response from the minister to the question of whether clause 23 will allow the CEO, with or without the direction of the minister, to delegate powers to people who may have, at best, tenuous links to the Department of Environment, which will be the new body that will be managing on a day-to-day basis and regulating and enforcing the laws that relate to water resources management in this State. I have no direct evidence that the minister intends to do it, but the concern has been raised, and it is important that the concern be addressed.

Clause 26 is headed "Non-public sector staff", and subsection (1) reads -

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The CEO may engage persons as wages staff otherwise than under the *Public Sector Management Act 1994*.

It has been put to me that this could be a strange way of doing business. That is not to say that we would be concerned should the Government appoint consultants or contractors. I do not believe that is the intent of the clause. However, the clause covers non-public sector staff and refers to employing or engaging staff, meaning they would be employees who would be paid for other than under the Public Sector Management Act 1994.

Dr J.M. Edwards: Wages staff are currently employed, and we want to make sure that they will continue to be employed under the new arrangements. These staff do not fall within the definition of public sector staff.

Mr B.K. MASTERS: How are these people employed at the moment?

Dr J.M. Edwards: They are employed by the commission but outside the terms of the Public Sector Management Act.

Mr B.K. MASTERS: Why would the commission have seen it necessary to employ wages staff on that basis? It seems a little strange. I have not come across it previously in my dealings with the public service, and I was an employee for five years. Does the minister have any background to it?

Dr J.M. Edwards: No, only that the commission itself has employed them. They are outside the Public Sector Management Act. We want to make sure that they have continuity of employment. This will give us the head of power to do so. I will get more information for the member.

Mr B.K. MASTERS: I thank the minister. I am grateful for the explanation. I am not sure that it will adequately address the concerns that have been raised with me. One of the suggestions was that the CEO might engage persons, for example, who might be political appointees, for want of a better term. Bearing in mind that clause 23 allows the CEO to delegate authority to almost anyone, we can see the possibility of conspiracy theories. I would like some reassurance that the various concerns of the Liberal Party can be addressed in a reasonable manner.

I will spend 10 or 15 minutes on one final point. I do not believe and the Opposition does not believe that these two Bills will resolve the many problems that are currently confronting the management and the protection of the environment in Western Australia. The problems with the new Department of Environment started well before Dr Bryan Jenkins, the former CEO, fell on his sword in 2001. I offer no criticism of the Government - I am not sure of this but I suspect it - for encouraging Dr Jenkins to move on to greener pastures. My understanding is that the Minister for the Environment saw an opportunity at that time, and took it, to try to put in place a better management structure than had existed. One must remember that at that time there was effectively the amalgamation of the Department of Environmental Protection with the Water and Rivers Commission, so in effect the new Department of Environment was under way already.

As I understand it, the minister made an excellent decision to put some strong, experienced people in charge of the new department, once the opportunity had been provided by the removal - if I may use that term - of Dr Bryan Jenkins from the position of CEO. The minister selected Roger Payne, Tim McAuliffe and other senior staff members from the Water and Rivers Commission to head the new department. At that time I had a lot of respect for those people and I still do. I have also been told - I cannot reveal my sources - that those people were effectively instructed by the minister or, if not the minister, her staff. The name Harry Ventriss has been suggested to me as one of the people who were given a senior management role in the department after Dr Bryan Jenkins had left. Again, I have a lot of time for Mr Ventriss. I am told that once those people were appointed, they were instructed by the minister, her advisers or senior staff to go out and make a difference and to sort out the problems in the Department of Environmental Protection that had been building up for some years. There were genuine problems in the department. I will briefly describe those problems. It has been explained to me that the minister or her ministerial staff approached the CEO and other senior members of the department and said that a generational change was needed - much like the generational change Mark Latham will bring to the Labor Party - and a change in attitude to the way the new Department of Environment performs its duties was needed.

Mr N.R. Marlborough: We thought you would have a generational change today in your party room.

Mr B.K. MASTERS: No. It was not even discussed.

I am a former employee of the Department of Conservation and the Environment. DCE, as it was called in the early 1980s, was the precursor of the Department of Environmental Protection. The attitude 20 years ago of people such as me and many others in the department who have moved on to important roles in industry or to the consulting side of industry was to work with proponents to make sure their developments were environmentally acceptable. We believed that development per se was important and that if their proposals were not

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environmentally acceptable we had to work with them to ensure that they were. I am sorry to say that for the past five or six years the department's attitude seems to have been that the public servants must stop developments if there is any risk at all of a negative impact on the environment. It is a very small, subtle, but critically important change of attitude.

The old attitude was to support development and make it work within environmentally acceptable standards. The current attitude, based on stories that I constantly hear, is that the department is there to stop development unless it is environmentally sound. The emphasis is on stopping developments. Roger Payne and others were trying to turn around that attitude. I have no doubt that in the 18 months that Roger Payne, Tim McAuliffe and Harry Ventriss were running the department they trod on many people's toes. Some of the Department of Environmental Protection people were clearly upset because their little empires and prejudices were being challenged. Those senior public servants had a very difficult task. However, they accepted the Government's challenge and tried to implement the new direction as best they could. People like Roger Payne - those who formed the so-called purple circle group - were trying to take the department back to the attitude of the 1980s when the staff were there to help get projects approved and make them environmentally acceptable in the process. I understand that that upset the Greens (WA) and the environmentalists in Western Australia. It is their belief that we must stop development rather than encourage it. The more that Department of Environmental Protection senior staff did the job the minister gave them, the more upset the Greens became and the more the minister became upset, because she and this Government want to ensure they receive the Green's preferences at the next election no matter what.

I believe that after 18 months a strong push came from within Cabinet - by the minister, the Premier or the Government; I am not sure who but I have heard the Minister for Planning and Infrastructure's name mentioned - to get rid of Roger Payne and other senior people within the department. However, the Brookdale issue arose. That was a significant issue that I must say was blown out of all proportion in many respects; nonetheless, it was a significant issue that involved a mistake made by, I suspect, a fairly lowly technocrat within the department, who misplaced the decimal point on three air-quality readings from samples collected from the nearby primary school. To his credit, Roger Payne made a public apology for causing angst in the community that was created as a result of that clerical, typographical or technical error - or whatever we want to call it. However, that was not what the people behind the throne wanted. They wanted the people responsible out of the department. History shows that in late January 2003 Roger Payne was effectively sacked. I find that to be a very sad history. Roger Payne was doing the job he had been asked to do but he made one fatal human mistake by apologising to the public of Western Australia, specifically to the people of the Brookdale area, for a mistake that clearly had been made by a technocrat in his department. His head rolled and a little while later the heads of Tim McAuliffe and others rolled. The minister now has a department that for the most part still retains all the problems she inherited when she was appointed Minister for the Environment and Heritage in February 2001.

This legislation will not clear up those problems. As I have said to the minister in this place before, it is critical that the minister become far more involved in a hands-on way with the government agencies under her control - in this case the Department of Environment. She must provide leadership and say exactly what she expects the department's general outcomes should be. I suggest that an outcome is the attitude of about 20 years ago; namely, the Department of Environment should be there to help progress projects and make them environmentally acceptable rather than to continue with the current attitude of wanting to stop developments that are environmentally dubious. This legislation will not help overcome those attitudinal problems. The Liberal Party has no faith that the legislation will impose the quality and type of management on the environment in this State that, in her heart, the minister clearly wants to achieve. These two pieces of legislation will give her an opportunity to say for the next six to 12 months that the new structure must settle down and have some effect before we judge whether it is working. The new structure of the Department of Environment has been effectively in operation since early in this Government's term and we know it will not work particularly well unless another purple circle - another group of strong people - is prepared to do what must be done to protect the environment in Western Australia.

I reiterate that the Government's policy to kowtow to the Greens first and foremost with a view to gaining their preferences at the next election, rather than make a commitment to make decisions for the good of all Western Australians, has led to this legislation, which amounts to shuffling the deckchairs on the *Titanic*. It will not help a great deal. I could talk about the underfunding of the department and say that its funding has been reduced over each of the past three budgets of this Government. However, it is not appropriate to raise those matters during debate on these two pieces of legislation. There are some worthwhile aspects of this legislation. Overall, the legislation contains enough aspects of concern to the Liberal Party about the way it will impact on the management, enforcement and protection of water resources in this State to cause the Opposition to oppose it.

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MR J.P.D. EDWARDS (Greenough) [5.30 pm]: The member for Vasse has very eloquently put the argument for the Liberal Opposition. However, I have some further comments to make. I understand that the Water and Rivers Commission was created to manage the water resource, as opposed to the Water Corporation, which was the water provider. Perhaps for the benefit of the House, I will read part of the original second reading speech on the Water Resources Commission Bill, which states -

The creation of this commission gives legislative recognition for the first time in this State . . . to the importance of placing water resources under the management and control of a single purpose state government agency. Whereas the focus of the corporation -

That is obviously the Water Corporation -

will be largely on providing water services such as water supply, sewerage, drainage and irrigation in a commercial environment, the commission established under this Bill will have a clear mandate to allocate the State's "water resources" which embrace all watercourses, lakes, wetlands, estuaries, rivers and aquifers and underground drainage, surface and surplus water, and to concentrate on the assessment, conservation, protection and management of those water resources and their environment.

The new commission will provide a better focus on water resources management and protection, balancing the planning and use of water along principles of sustainable development and providing a more efficient combination of planning and management of both underground and surface water resources in the one agency. It will also provide a more complete and unfragmented appreciation of multiple uses of water, including its role in aesthetics, conservation and recreation as well as consumption. It will be involved in integrated catchment management, which in turn will enable more effective waterway management and multipurpose use. The commission will ensure that environmental, cultural, economic and social interests are given due weight in water resources management decisions and that those wide community interests are not overwhelmed by the water services responsibilities of the corporation. . . .

It will be an agent of the Crown and will have a board, consisting of a chairman, the chief executive officer and five other members who are required to have relevant experience, and will be appointed by the Minister. The board will have extensive powers to delegate functions internally, but where the board wishes to delegate functions externally, the Minister's approval will be required.

. . .

In setting up this commission the Government is addressing the considerable environmental and management challenges facing this State in the management and protection of its water resources, with a body which has behind it the accumulated knowledge and expertise of the various agencies it is absorbing and which is endowed with the powers to use that knowledge with the greatest impact.

I have read that into the record because I believe that is the very purpose of the Water and Rivers Commission.

The issue of water resources impacts on domestic consumers, farming communities and the mining industry, and of course it is a very important, if not the most important, factor in our everyday lives. I understand that the Machinery of Government (Water Resources) Amendment Bill brings all parts of the Water and Rivers Commission Act 1995 under the control of part of the new Department of Environment. It has a different name, but basically that is what it is. Therefore, technically speaking, the Water and Rivers Commission, as we know it, will be abolished.

Mr J.L. Bradshaw: No, it is the Department of Environment.

Mr J.P.D. EDWARDS: Yes, it is, but it has some other name in the legislation too, I think.

Mr J.L. Bradshaw: When I asked the other day what the name was, I was told that it was the Department of Environment.

Mr J.P.D. EDWARDS: Okay. I thank the member. In that case, I will accept the fact that it is under the Department of Environment. At a time when the Government is claiming that we have a water crisis - that has been floated around; we have a water shortage, but I would argue whether we have a water crisis - perhaps one would expect that, rather than abolishing the organisation charged with finding, assessing, monitoring and controlling our water resources, it would have been better to resource it with staff and funding; in other words, provide it with extra funding to help resolve the water shortage or, as the Government likes to call it, water crisis. Instead, it seems that the Government is now happy to spend at least \$11 million on water propaganda and public relations in addressing water issues, but it cannot find extra money for the Water and Rivers Commission. Therefore, I say again that the commission is being abolished.

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I do not believe that this is a simple machinery of government reform. It is a major dismantling of the legislative and administrative framework through which water resources are managed. One of the key outcomes of the changes will be to remove the independent advice on and authority for the management of water by abolishing the commission, local water area management authorities and the rivers and estuaries councils. I understand that the Acts involved are the Country Areas Water Supply Act 1947, the Metropolitan Water Authority Act 1982, the Metropolitan Water Supply, Sewerage, and Drainage Act 1909, the Rights in Water and Irrigation Act 1914, the Water Agencies (Powers) Act 1984, the Water Boards Act 1904, the Waterways Conservation Act 1976 - I believe five waterway management authorities are tied up with that - and the Swan River Trust Act 1988. It is in fact using a very large knife to cut the whole of the commission completely out of the system and put it into the new DOE.

I have some concerns about the influence and impact of the DOE, particularly on the availability and sustainability of the water resource when it is part of the DOE. The member for Vasse has already commented that the management practices of the Department of Environmental Protection in the past few years have been questionable. There has been the Bellevue fiasco, and there is the current prosecution of landowners for - I do not think we would call them minor offences - so-called damage to bushland etc. Even in my part of the world, farmers have been prosecuted for land clearing. I am not prepared to argue the rights or wrongs of that. However, I believe the department is becoming a multi-headed monster, and it seems to be swallowing other departments, with very little thought -

Mr J.L. Bradshaw: And there has been a failure.

Mr J.P.D. EDWARDS: I take the member for Murray-Wellington's advice. There is a major concern in the public arena about what the department stands for and where it is going. Again, the member for Vasse pointed out that some very good staff members have been lost. Ironically enough, they were part of the Water and Rivers Commission. Because this legislation has been around for two years, they became part of the DOE. Roger Payne and Tim McAuliffe are two people I knew well, and I must admit I respected both of them. I thought they were particularly good officers. Their leaving is to the detriment of the department. The new DOE seems to be becoming an all-encompassing and voracious animal in its responsibilities and empowerment. I may sound as though I am being dramatic; I do not mean to be. However, I believe it is a perception that needs to be laid to rest, and the minister is probably the person who needs to do that. I certainly know that in country Western Australia there are real concerns about the power of the DOE and the direction it is taking. A lot of staff are being moved sideways or are leaving.

Dr J.M. Edwards: Can you give me an example of its voracious nature?

Mr J.P.D. EDWARDS: I have some concerns about the Department of Conservation and Land Management and the Department of Agriculture.

Dr J.M. Edwards: CALM is totally separate.

Mr J.P.D. EDWARDS: Maybe I am sounding a bit dramatic, but I have a concern about the direction it is taking and that it will take in other departments on which it should not have an impact. These bodies had independent people involved in making decisions and providing independent and localised expertise in an open and transparent manner. This legislation may still cover that, but I do not know that I can read that into the Bill. It will disappear, of course, and the powers and authority will go back to the Department of Environment. I ask the minister to give some consideration to why local people cannot have a say in matters of the greatest concern to them, particularly in those areas.

This proposal is a radical departure from the current system, which has empowered the Water and Rivers Commission to independently make policy and decisions on water resource management and carry out various administrative functions regarding that water resource management. It seems that the current system is being dismantled, and that the ability to empower people at a local level to consider the management of water and related land resources will be lost.

The ministerial body will be established to provide a body corporate through which a minister can perform any of the minister's functions under this or the Water Resources Act. Those functions can more conveniently be performed by a body corporate than an individual. That is all that seems to be said about the ministerial body's purpose. The explanatory memorandum explains that the ministerial body, in narrow terms, is a vehicle for dealing in land and other assets. I ask the minister when she responds to confirm that that is the case.

It concerns me - and this matter was raised earlier by the member for Vasse and in our party room - that if a minister and staff are responsible for some 800 pieces of land, some financial implications may arise and therefore maybe there should be a question mark over those implications if the minister has that control. The other issue concerns the council body, which I understand will be only an advisory body advising the minister

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and will not have the power to put anything in place. Again, the council will be answerable to the minister and the minister can either heed or not the advice that is given.

The member for Vasse covered most of the areas that I wanted to speak about, and I do not see any point repeating it all. However, I do have some concerns about this legislation and some of the amendments, but as this is a cognate debate and there are some amendments, I will take up those issues during the consideration in detail stage. I oppose this Bill.

MR P.D. OMODEI (Warren-Blackwood) [5.44 pm]: The Machinery of Government (Water Resources) Amendment Bill 2003 and the Water Resources Management (Administration) Bill 2003 are indicative of the current Government's moves with this type of legislation. They reflect the Government's attitude in its changes to the Environmental Protection Act, particularly the amendments and regulations, which can only be described as draconian and which cause great friction, misunderstanding and lack of trust in the community about the Government's motives. That is a matter of real concern.

The history of legislation concerning water shows that there have been a number of amendments to the Rights in Water and Irrigation Act and the original water Act going back to 1914. During my time as a member of Parliament and prior thereto, I was for about 11 years covering the 1970s and 1980s a member of a ministerial advisory committee known as the Warren and Lefroy water and rivers advisory committee, which was concerned with the control of water. When I got into Parliament one of my first portfolios was Minister for Water Resources. At that time the minister's responsibility was to administer the Water Authority, which was a combination of what is now the Water Corporation, the Water and Rivers Commission, the Swan River Management Authority and so on. That organisation worked very well. The chief executive officer at the time was Dr Wally Cox, who is currently the chairman of the Environmental Protection Authority. He is a well-known, highly regarded and long-serving public servant in Western Australia. The chairman of the board of the Water Authority was Ken Webster, who will be out of a job once this legislation goes through, because he carried on as chairman of the board of the Water and Rivers Commission. Ken Webster is an engineer and a career public servant, a man of impeccable character and principle, who should be recognised by the Government for his contribution to not only the public service but also to water resources management in Western Australia. I recall that he used to receive \$10 000 or \$12 000 to be chairman of the board. Under the restructured corporatised body, the chairman of the corporation receives approximately \$75 000 and the CEO \$300 000. Time moves on and the bureaucrats do not miss out. Ken Webster ably supported me when he was chairman of the board of the Water Authority. He represented me at a number of public functions, and I am indebted to him for the work that he carried out on behalf of this State.

What I am really concerned about in this legislation is the lack of consultation that has occurred. This is very important legislation, because it contains amendments to the Country Areas Water Supply Act 1947, the Metropolitan Water Authority Act 1982, the Metropolitan Water Supply, Sewerage, and Drainage Act 1909, the Rights in Water and Irrigation Act 1914, the Swan River Trust Act 1988, the Water Agencies (Powers) Act 1984, the Waterways Conservation Act 1976, the repeal of the Water and Rivers Commission Act 1995, and consequential amendments to about a dozen other Acts. Therefore the Machinery of Government (Water Resources) Amendment Bill will impact on about 20 Acts. In itself, it is very important legislation on which the minister delivered very brief second reading speeches. The highlight of the second reading speeches is probably the lack of detail in them. The two second reading speeches are very scarce in detail, when one considers that in a court of law the judge and barristers refer to the reasons for the law in the first place. I acknowledge that explanatory notes to the legislation were provided to members, but those notes are not included in the legislation; I am concerned about that.

I return to the history of the legislation and some of the characters who were involved in it. I mentioned Dr Wally Cox, who was the chief executive officer of the Water Authority and later the CEO of the Department of Conservation and Land Management. The member for Vasse mentioned Harry Ventris, a long-serving, able public servant. People such as Garry Meinck are still with the organisation. Menno Hennevel, who is currently the Commissioner of Main Roads, was a well-known officer of the former Water Authority and later the Water Corporation. In the old days Pietro Guj was head of the Geological Survey department, which was part of the Water Authority and later taken on by the Department of Mines. Pietro was a mine of information and knew a lot about water resources, particularly ground water. He was a lovely man from Tuscany with a lovely Italian accent. Tim McAuliffe and Roger Payne have been mentioned and there were a number of others whose names do not come readily to mind. Some senior people from the Water Authority ultimately were seconded to the Sydney water board. Members may recall the outbreak of cryptosporidium that occurred in Sydney. All the members of the water board there ended up going, but the responsibility for that outbreak was not the province of the person from Western Australia, as he had been there for only 12 months. I cannot recall his name, much to my chagrin.

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Dr J.M. Edwards: Chris Pollit?

Mr P.D. OMODEI: Chris Pollit; I thank the minister.

Dr J.M. Edwards: He is actually giving us some assistance at the moment.

Mr P.D. OMODEI: He is certainly a very well qualified person. A number of other very good public servants have been involved with water resources. However, it seems to me that we should go back through history to see what has happened with amalgamations; for example, the amalgamation of the former department of forests and the national parks and wildlife authority and, subsequently, 10 years later, the break-up of that department. Some of those departments have worked very well due to the professionalism of the officers employed. Now departments, such as the Department of Conservation and Land Management, are being broken up because they are perceived to be both gamekeeper and poacher. It could be argued that in the water sector in Western Australia the Water Corporation is the commercial part, which should be separate from the management of the operation. However, this legislation will lump in the Water and Rivers Commission with the Department of Environmental Protection, which means there will be a gamekeeper-poacher arrangement all over again. By that I mean obviously that the same authority will manage not only the water, but also the part that creates the environmental impact, such as the construction of dams, the sinking of bores and so on.

The Liberal Party in government would have a specific minister for water. It is almost like a minister for children. It is important because water is becoming so fundamentally important to the community. We need to have not only a national water plan, but also a state water plan.

Mr C.M. Brown interjected.

Mr P.D. OMODEI: Did the Minister for State Development intend to say something?

Mr C.M. Brown: I was going to say that there have been a lot of comments about you having a specific minister for this and a specific minister for that, but how many ministers are you going to have? So far I have come up with about 32.

Mr P.D. OMODEI: The point is that in the scenario under the current Government, about seven ministers at one stage have had something to do with water resources. The minister should not give me that argument; it is a pretty flimsy argument. Of course there will be ministers who hold multiple portfolios. How many does the minister hold at the moment?

Mr C.M. Brown: One.

Mr P.D. OMODEI: Only one? He is a very privileged minister. The minister sitting in from of him holds several portfolios.

Mr C.M. Brown: One.

Dr J.M. Edwards: One; environment.

Mr P.D. OMODEI: One, environment, with a whole heap of people lumped in there and with a CEO who will have the power of Solomon well and truly. I was going to come to that down the track.

Mr C.M. Brown: I was just curious.

Mr P.D. OMODEI: The Minister for State Development can talk as much as he likes. What about the Minister for Government Enterprises, Hon Nick Griffiths, does he not control water somewhere along the track?

Dr J.M. Edwards: The Water Corporation.

Mr P.D. OMODEI: What does it use, petrol?

Mr R.N. Sweetman: For his GTEs.

Mr P.D. OMODEI: Of course, for his government trading enterprises he has a responsibility for water, as does the Minister for Agriculture to some extent, and so on it goes. The member for Greenough used the word "voracious". Is this legislation not a voracious attempt by a government department to second every Tom, Dick and Harry? The Minister for the Environment mentioned soil and land conservation officers appointed under the Soil and Land Conservation Act. They were given the "DCM" notice - after years and years of contribution to soil and land conservation and Western Australia they were given two weeks notice and told that if they did not transfer to this department or to Kununurra they would not get a job. About 15 of them went in one hit. The truth of the matter is that some wet-nosed environmental science graduate from the University of Western Australia, operating out of Perth, will be going around Western Australia telling farmers what they can do with their land. People in country Western Australia have had a gutful of it. There is a court case on tomorrow or the day after about a guy in the wheatbelt who has been charged with taking plants, because he ran over them. A

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group of people at Northcliffe off Sandy Peak drove their loader on a gazetted road that was not constructed, were prosecuted for taking 32 rare plants that were on the protected list and were fined \$32 000. To this day they still do not have a road into that property. That is why people are getting angry. The minister is setting up a framework that will make it a lot easier for some departments to make life hard for these people.

Mr R.N. Sweetman: Us and them.

Mr P.D. OMODEI: The us and them situation. I mentioned all the changes to the different Acts. I understand the impetus behind the legislation. The machinery of government Bill has one good aspect. Clause 90, which will amend schedule 1, is headed "Transfers of licence - death of licence holder" and is very good legislation. It clarifies what has been a grey area for a long time. However, I would like to see the Government that could stop a family in Western Australia who owned a bore or a dam constructed at their cost, licensed or not licensed, from growing their crop because the licence holder in the family had died. That just defies logic. It is nonsense. I am sure that any sensible judge in this State would rule in favour of the family. However, I acknowledge that it is a good thing to correct that anomaly. It might be a good idea for the minister to consider applying the licence to the property rather than the individual. That is worth thinking about. It is not an aspect on which I am absolutely black and white. However, if the Government creates a situation, such as occurred with the Wentworth group, whereby groups of people can buy and accumulate water licences across the State when they are not actively involved in agriculture, horticulture or the use of that water, it will create a huge problem. If we allow individuals or companies to accumulate water licences, that will be a good lurk for some, because we can be sure that the licences will become more and more valuable, particularly now that they will be tradable under the various legislation. I am really concerned about that. Although a whole lot of advisory committees will be put in place, particularly the new body that will deal with land, I think they will have significant responsibilities. I do not believe that there has been enough consultation with the public on this legislation.

Sitting suspended from 6.00 to 7.00 pm

Mr P.D. OMODEI: Prior to the dinner suspension, I referred to the Water Resources Management (Administration) Bill and the Machinery of Government (Water Resources) Amendment Bill. I understand that the machinery of government Bill confers the functions of the Water and Rivers Commission on either the minister or the Chief Executive Officer of the Department of Environment. At the same time, the Bill will establish institutional and committee arrangements to support the minister and the CEO, and will facilitate the integration and administration of Acts dealing with water resources management. When the two Bills come into operation, the minister will have overall responsibility for water resource management; determining policy, by-laws and strategies; approving plans; and directing the CEO on important matters. The chief executive officer will be responsible for operational matters, such as licensing, monitoring and enforcement. I am concerned about the powers of the CEO. If members think about how government works in Western Australia, and how members are elected and ministers are appointed, they will appreciate the old saying that the Government never changes - only the politicians change. To some extent that is true, and is not a bad thing. A good, professional bureaucracy bending or leaning to the policy of the incoming Government is how things should work.

[Leave granted for the member's time to be extended.]

Mr P.D. OMODEI: At present, the Government is trying to establish its green credentials for purely political purposes; that is, to convince the public of Western Australia that the Labor Party is very fond of the environment. We know from history over some time that Governments of both persuasions have been protective of the environment. The truth is that no individual member of Parliament wants to damage the environment, and no farmer, beekeeper, fisherman or forester wants to irreparably damage the resource that gives him or her a living. Some people may argue against that view. However, the fact of life is that farmers who do not look after their asset - namely, their land - and the water and the environment they manage will inevitably no longer be able to pursue their chosen profession. That fact is often overlooked, particularly by the people who live in cities. I refer to those who do not understand how the environment works on the ground. That lack of awareness is a concern to people in rural Western Australia. I remind members of this House that every farmer has a relative, a friend, a colleague or a person he went to school or studied with who lives in the city. That was much more the case two or three decades ago when the population of Western Australia was more evenly spread between the city and country. There are now 1.3 million people living in the Perth metropolitan area, and the remaining 500 000 people in this State live in the other 200 000 square kilometres. Inevitably, most rural people have a connection or relationship with people in the metropolitan area. Right now, the confidence of people in rural Western Australia is severely shaken. By any measure, they are demonstrably upset about the bureaucracy in this State. Legislation such as that before us must have a commonsense approach to managing the environment.

I am not often complimentary to socialist Governments because they ultimately destroy the economy of the State and leave debts for future generations, but the people who visited the minister from Manjimup and Pemberton

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were afforded generous time - nearly two hours - considering the minister's workload. I compliment the minister on her move to stop the decision being made to impose administration and water charges on those people. It was a good decision by any measure. The problem is that when I talk to the bureaucrats I still know within the Water and Rivers Commission, which will soon become part of the Department of Environment, they tell me that I had a victory for the time being, but the matter will be back on the agenda should the present Government win the next election. I hope that is not the case.

I refer now to the Warren-Lefroy and Donnelly Rivers catchments advisory committee, which will soon become one of the minister's advisory committees. To elucidate, the Warren-Lefroy catchment is in a high rainfall area of Western Australia. The Shire of Manjimup is 15 per cent alienated. In other words, only 10 per cent of the 7 000 square kilometres, or nearly 900 000 hectares, is cleared; that is, 15 per cent is alienated and five per cent of that private land is still bush. That area produces more than 50 per cent of the State's potatoes and 90 per cent of its export cauliflowers; it once had a viable dairy industry - I must make that qualification - and it has a significant apple industry and a burgeoning wine industry that is growing in notoriety statewide and nationally. It is nearly all good news.

The farmers in that area take their water from farm dams. Those dams have been constructed at the expense of the farmer, either in a catchment area or on a permanent stream. There has been an advisory committee in that area since the mid 1960s, and there has been licensing of dams for the past 30 years, with no cost attached. Members on both sides of the House need to understand that although, for the time being, the minister is on that side of the House and is in government, it will not be long before the minister will be on this side and we will be on the government side. However, we will still be making the laws with the advice of these bureaucrats, who see all and know all. The truth of the matter is that in most cases, the bureaucrats have a lack of understanding of how things actually work physically on the ground. Those farmers have expended a large amount of their finances to construct those dams and have a water supply. They are not so stupid that they will build a dam at a cost of \$100 000 if they do not need that amount of water. If they have a 200-acre property and a four-year rotation, they can grow 50 acres of crop a year. Therefore, they will need only enough water to produce that 50 acres of crop. It may be an apple orchard, or it may be a vineyard, in which case they will need less water, or a potato or avocado crop, in which case they will need more water, and so on. Do members think these people will deliberately destroy the stream or catchment from which they get their water? The two vital ingredients for farmers are their water and their land. If farmers do not look after their water and their land, they will go broke and will not have a future for their family. It is very important that we understand that.

This minister, to her credit, listened to those people and agreed that a water charge for administration and a water charge based on volume would not be introduced. However, the message that we got back is that in the end, that will be inevitable. Why? If a farmer is cropping one per cent of the total area of a catchment and is capturing only 15 per cent of the mean annual rainfall on that one per cent of that catchment, why would the minister want to charge that person anything? That is probably the best example of a sustainable, managed water and irrigation area that can be found anywhere in the world. To pick on those people in the first place was really the wrong decision to make. On the other hand, if people have built dams on permanent streams and those dams are affecting the annual stream flow or the environment, or if people are taking water from an aquifer, then that does need to be managed, and perhaps a fee for licence should be attached to the extraction of that water, because in the end the Government of the day needs to manage the resource properly in perpetuity for future generations and for the benefit of the current licence holders.

It is important that commonsense apply when we do these things. I am not unhappy about an advisory committee process. However, this legislation has not had adequate public consultation. We do not really understand what it will mean. In the end, the Department of Environment will decide who can put in a bore and what impact that will have on an aquifer, whether it be a surface aquifer or an artesian or deep aquifer. That will amount to almost a conflict of interest, because the same organisation that will determine whether a person can have a dam on a catchment or a stream will be the same organisation that will determine what the environmental impact will be. The minister may argue that in the end there will be a compromise, because it will come under the same organisation. That is what the minister said about the splitting up of the Department of Conservation and Land Management. However, in the end the public of Western Australia said that the gamekeeper and the poacher should not be under the same roof. There is some truth in that. The splitting up of CALM, with the commercial activities being under one umbrella and the environmental activities being under another umbrella, is probably not a bad idea, so long as there is no political interference.

I believe this Bill is all about the Government's trying to sustain its green credentials. For God's sake let us get back to sound, commonsense land management. The Government can call it sustainable management, or whatever it likes, but in the end it is affecting the lives of people and the economy of districts. We need look only at the dairy industry, as you would know full well, Mr Acting Speaker (Mr A.J. Dean), because you are a

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member of the Public Accounts Committee, which is looking at the dairy industry. The Harvey district alone is losing \$8 million-plus per annum because of decisions made by a Government, based on advice from bureaucrats, on competition and a range of other things. I am not confident that there has been enough consultation on this legislation. There should be a separate management organisation. I am concerned that the chief executive officer will be a de facto minister if the minister is not capable or across his or her portfolio. Ministers often have a number of responsibilities. The Minister for Environment has a number of responsibilities. So too has the Minister for State Development, because although he reckons that he has only one portfolio, he has a heap of things for which he is responsible. If the minister is not across his or her portfolio, then the unaccountable CEO of this new organisation will be able to dictate what will happen with water use and management, the application of licences, and a range of other things. I do not believe that is just, and I will not be supporting the legislation on that basis.

MR R.N. SWEETMAN (Ningaloo) [7.16 pm]: My contribution to the debate on the Machinery of Government (Water Resources) Amendment Bill and the Water Resources Management (Administration) Bill will be brief. However, like my colleagues, I want to express some reservations about the legislation. If we take at face value the comments that the minister made to the Parliament in the second reading speech, this is basically housekeeping legislation and we do not need to worry too much about it. I guess that will be determined to some extent by the way the minister responds to the comments of opposition members in this debate. It is the job of the Opposition to scrutinise the legislation that comes into the Parliament, and I guess on occasion to even be devil's advocate and read between the lines to ensure that the legislation is given greater circumspection, not just by the minister but also by those who draft legislation and those agencies that will be responsible for the administration of the legislation once it is proclaimed. Most of us have spoken on behalf of particular constituencies. I want to raise the issue of the growers on the Gascoyne in the horticultural precinct in Carnarvon. I am very keen for the minister to relay back to the Parliament whether this legislation will have any great consequence for those growers. I think I could be satisfied if I were certain that all of the appeal mechanisms that are currently available to the growers in my area in a variety of situations that pertain to their licences, the extraction of water and various property rights associated with water will be protected under this legislation.

I will give the minister an example of a situation that has developed recently in the horticultural area in relation to the growers' basin A entitlements. The minister is probably familiar with the situation of the 161 plantations on the Gascoyne River, most of which have access to the river according to invisible lines that basically draft out the prolongation of the plantation so that it either fronts or backs onto the Gascoyne River. The growers have an entitlement to put down bores within that prolongation to extract water. Carnarvon is experiencing a particularly difficult time because of the prolonged drought. There have been only two very minor flows this year. The flow in June or July did not even make it to the ocean. The flow in January only just made it to the ocean. The Carnarvon Bridge recorded flows of less than 300 millimetres. The result has been very little recharge of the basin A aquifer - the growers' aquifer. Continual abstraction from the basin A resource generally sends the water salty. There is a cut-off of 1 000 parts per million, which applies statewide and not merely to Carnarvon. The wells are constantly monitored by the grower and by random and regular inspections by the department. Officers from the department are sent out to monitor the water in basin A. They sample water taken from the growers' wells in that prolongation area. As soon as the salinity gets to 1 000 parts per million, the growers no longer have the right to take water from those wells. That is okay. All the growers understand and accept that as a reasonable management instrument governing their entitlement. There is a developing argument along the Gascoyne River that perhaps the limit of 1 000 parts per million needs to be reduced to somewhere between 500 and 600 parts per million because the soils on either side of the Gascoyne River are very dense, particularly the heavy loams and clays and, because the area does not get the same flushing from good rainfalls as the rest of the State, there is a build-up of residual salt in the soils, which is particularly deleterious to crops such as mangoes and bananas. It has taken a long time for growers to understand that many of their problems are related to the build-up of residual salt in the soils. The growers understand reasonable and good management practices for taking water from their prolongations. Of real concern to the growers is that over the past several months many of them have received letters from the Department of Environment telling them that the volume previously stamped on their licence - perhaps 72 000 kilolitres of water - would be cut back in some instances to 20 000, 30 000 or 40 000 kilolitres on the basis that the salt content of the well water over the past few years has regularly reached 1 000 parts per million. The department also superimposed on that the five-year average, whereby a grower who had taken on average only 40 000 kilolitres a year for the previous five years, would have 45 000 kilolitres written on his licence - the department wanted to be fair - which is 5 000 kilolitres more than the average taken. Of course, the growers are rightly concerned about that. Some of them, through negotiation, have had their entitlement reinstated. However, the minister will understand that many of them are anxious about losing a property right in the form of a licence that connected them to a quantum of water out of their

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prolongation. They rightfully argue that for decades they have accepted that they cannot take their full entitlement when their bores go salty, which happens typically in very dry conditions. They are telling me that when normal conditions return to the Gascoyne River, particularly in their abstraction area, they want to be able to take 72 000 kilolitres, and that they will not have the time to reapply to increase the allocation from 45 000 kilolitres to 72 000 kilolitres, if it is at the discretion of the department, the allocation committee or the minister, because they work from sun-up to sundown. We want to be sure that some mechanism allows for the discretionary reinstatement of the licence for 72 000 kilolitres. They want the volume of 72 000 kilolitres to be permanently stamped on their licence, but with conditions applying in certain circumstances whereby there will be a reduced allocation. They feel that they are losing an intrinsic value which is part of the inherent value of the plantation. The growers are anxious about the fact that when good conditions return to the Gascoyne River they will not be able to take the full amount of water to which they have traditionally been entitled. They also feel it will have some impact on the value of their plantations. I believe that is a reasonable argument.

I understand the difficulties faced by the Water and Rivers Commission and now the Department of Environment, and some of the lessons that they and we have learnt from the east. With the passing of time, we now know there was a massive over-allocation of water from the various aquifers along the east coast, South Australia and places such as that. It is now costing a bomb to buy back some of that entitlement to get a more realistic allocation regime in place in those areas. Western Australia fortunately does not yet have anything like that situation. I believe that because of good management we have not arrived at that situation. However, there needs to be some real caution in the Department of Environment to ensure that we do not get caught in that situation. To some extent it is a war of attrition. Some growers are connecting the problems of water rights, the value per gigalitre of water on the east coast, the over-allocation problems and everything that has gone with that and applying that to their local situation in the Gascoyne horticultural area. They say that they understand what the department is about; that is, taking back a water right to ensure that there is no over-allocation or unsustainable allocation of water. They accept the rules of the game; that is, on occasions when it is unsustainable they cannot take their full allocation of water. They also accept all the reasons they are forbidden to take any water from their prolongations and they need to go onto scheme water, which is considerably more expensive than their basin A entitlement.

The growers have a heightened concern in the current situation because of the use-it or lose-it approach with the policy that has been developed as a result of problems in the east, in which the allocation of water needs to be matched to the use of water. Even with the newly created Gascoyne Water Cooperative Ltd in Carnarvon and an agreement between the growers cooperative and the Water Corporation, when it is demonstrated that the bore field has considerable quantities of water adjacent to the basin A water reserve in Carnarvon, the Department of Environment is not currently disposed to over-allocate water to the Water Corporation to enable it to on-sell it to the water cooperative, which would then allow the water cooperative to increase the allocation to growers. It is fine that the department does that, but it is causing some apprehension among growers. They say that they are in dire straits because the Water Corporation has only so much water and, therefore, the Gascoyne Water Cooperative can take only so much water from the Water Corporation.

I have been trying to get growers to understand that they need to assess their needs in a particular growing season and make their submission early, to enable the Department of Environment to assess whether an additional gigalitre or two of water can be allocated from the bore field. I believe it is a matter of educating and informing all players. I want to be sure that as a result of this legislation there is a cooperative approach. The minister will be aware of circumstances, such as those of the Department of Conservation and Land Management that were cited earlier in question time, which have resulted in some of the angst, animosity and resentment that has built up between stakeholders and the people in a policing, conservation or administrative position, and the stand-off that is the almost inevitable consequence when people are not prepared to work in partnership and consultation to develop good policy in which there are wins for both parties.

We need to be satisfied that this legislation will meet all the aspirations of the Government and the department, but there must be an understanding that it needs the input of the various stakeholders to ensure a reasonable strategy and policy are developed in the interests of all parties. I want to be sure that the change from the Water and Rivers Commission to the Department of Environment will not overly tilt the scales in favour of environmental aspects. The minister in her summing up will need to emphasise the reference made in the second reading speech on the Water Resources Management (Administration) Bill to the Water Resources Council. It reads -

The council will consist of ministerially appointed members with expertise in water resources management, conservation, economic development, community development and natural resources law.

I guess that is just another way of saying it must deliver on the triple bottom line. There must be something in it environmentally and to provide economic and social benefits. No doubt most of the speakers who have spoken

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in this debate have highlighted that in different words. However, the clear common theme is that they want it to be user friendly and mutually advantageous to ensure that all groups can benefit from it. I hope the minister can satisfy some of the concerns I have raised and give some further comfort and advice to the growers in my area.

MR J.L. BRADSHAW (Murray-Wellington) [7.31 pm]: I oppose this legislation. It is a step in the wrong direction for the control and management of water resources and waterways in Western Australia. It is interesting that the legislation will merge the Water and Rivers Commission with the Department of Environment. I understand that has already happened. When I asked someone recently what the name of the body was, I was told that it was the Department of Environment. It has been renamed without even waiting for the legislation to be passed. The Government has assumed that the Parliament will pass this legislation. That assumption is wrong; the Government should not have taken that path. The amalgamation is purely a cost-cutting exercise. Once the Water and Rivers Commission becomes part of the Department of Environment, its funding will disappear into a global budget. In the end the combined budgets of the Water and Rivers Commission and the Department of Environment will be less than the total of each department when they operated separately. The Government might claim that it can make savings in administration but the amount of administration will not make much difference in the big picture. Contrary to what the Government thinks, big is not beautiful. Since the three sections of the Department of Health - community health, hospital and allied services and psychiatric services - were combined to make a conglomerate, the Department of Health has never worked as well. The system is confusing. In the old days, each section had a chief executive officer and everyone knew who to approach and how to get answers. However, since the amalgamation, there has been confusion in the health system. People do not know to whom they should speak. They can never get the answers they want. The same thing will happen with the Water and Rivers Commission merging with the Department of Environment. Its functions will be lost in the system.

We have major problems with our waterways in Western Australia, and they will not improve overnight. Spending millions of dollars trying to fix problems as has occurred with the Serpentine and Murray Rivers, the Swan and Canning Rivers and no doubt a considerable number of other waterways does not always produce results.

Mr B.J. Grylls interjected.

Mr J.L. BRADSHAW: That is another issue. Waterways issues are very important, particularly to people who live near them and use them for recreation and fishing. Despite that, the Water and Rivers Commission, which tries to resolve problems with our waterways is disappearing into the Department of Environment. It is very important to have a dedicated body of people working towards fixing these sorts of problems. I understand that the problems that occur in our rivers stem from environmental issues such as the spread of too many nutrients. However, if a dedicated group such as the Water and Rivers Commission is involved in examining those issues, it can identify them and, within the big picture, work to overcome them.

I do not always see eye to eye with the commission. The minister is aware of a very important issue in North Yunderup, at a place called Wilgie Creek, which used to run between the Murray River and the estuary at Mandurah. For some reason, the flow of water was cut off at the mouth on the Murray River. No-one seems to know whether the blockage is due to a build up of silt or whether someone caused it. In summer, the water does not flow through it so it becomes stagnant and smells to high heaven due to the high amounts of hydrogen sulfide. People think it will create a health problem. A few years ago, the Water and Rivers Commission began to take it seriously and was trying to resolve it. My solution was to open the entrance and let it flow again. However, the commission does not like simple solutions; its officers said that the solution was more complex than that. I must bow to their superior knowledge, albeit I still think that a bulldozer or a digger could dig out the opening and solve the problem. The Water and Rivers Commission's solution was to pump water out of the Murray River into Wilgie Creek in summer to keep the water flowing. That was all well and good while the landowner agreed to it. However, as the minister knows, the landowner has withdrawn his approval for the pump to operate on his land. The people living along the creek are living in fear that, if something is not done soon, the putrid, unbearable smell will return. The commission has been active in one way, although it could do more - such as resume the land where the pump can operate or find some other solution so that water can be added to the creek to make it flow again. I know that has nothing to do with this legislation. However, I want it on the record that more should be done by the Government to fix the problem because the people who live there will suffer from the smell of the hydrogen sulfide gas that will emanate once the weather warms up. Algal growth will spread and it will be untenable for the people who live there.

I was surprised a few years ago when a public meeting was held on the matter. I went to the local hall, which is not very big, and there were so many people there that they seemed to be hanging out of the doors and windows because it was such a huge issue for them. I realised that it was a major issue. Action has resulted from that

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meeting and I thank the Water and Rivers Commission for that, although it could go further and make sure more is done this summer. If something is not done soon it will be too late.

I went to the South Yunderup Ratepayers and Residents Association meeting a few months ago at which I heard of acid sulfate soil, which I had never heard of before. When channels are dredged in the Peel area and the dredged material is put into a pile, possibly also in other areas, it oxidises and forms sulfuric acid, which leaches into the waterways. The water in the bund in South Yunderup where a big pile of soil is sitting has a pH of 2, which is very acidic. Earlier this year when fish were dying, I think in the Serpentine River, people believed that the oxidation of soil caused the acid to enter the river, which then caused the fish to develop a disease and die. These are all very important issues that the Water and Rivers Commission is working on. I am afraid that if the commission is consumed by the Department of Environment, those issues will be overlooked and not treated with the due diligence and importance they deserve. People do not like to see dead fish floating down their river for two reasons - it is a waste of good fish and they are prevented from catching them.

The other important issue is the water usage along the rivers and creeks. People who live along creeks and rivers sometimes need to pump out water or they might want to build a dam. People who want to build dams must seek approval. It is therefore important that a body exists to monitor creeks so that people will not be deprived of water because a dam has been built further upstream. If the commission is subsumed by the new Department of Environment, that may not happen, and people will be yelling and screaming because their water has been consumed further up the creek or river.

From my experience in the past five or six years, the Department of Environment has been a disaster. The name can be changed from the Department of Environmental Protection or whatever else it was, but that will not necessarily fix the problems that have been associated with the department. Alcoa Wagerup is a prime example - I could give another example, but I will not - of a place where things were not happening according to the regulations and the laws. Very little happened until there was a bit of publicity about it. Then more pressure was put on the business in my electorate. The department will take over the Water and Rivers Commission. If the department has not acted very well in its own right on other issues, will it do the right thing when it comes to doing what the Water and Rivers Commission is supposed to do? I have grave concerns.

When it hit the fan over Brookdale and other issues, the department said, "Let's make some people scapegoats here." Poor old Roger Payne and Tim McAuliffe, who came from the Water and Rivers Commission into the Department of Environmental Protection, got the boot out of the system. They were made scapegoats. I thought that was quite disgusting, because they were dedicated public servants who did the right thing. They just happened to be transferred to the Department of Environmental Protection at the wrong time. The ones who are probably not doing the right thing, shall I say, in the department are still there; yet poor old Roger Payne and Tim McAuliffe are out the back door with a "See you, pal. You can be the scapegoat." The department has come out with a new image. The Government has said that it will put in a law enforcer to make sure that in future things happen better. It will be interesting to see whether things will change, because I am not sure they will. I am quite disappointed that the Government has gone down this route to absorb the Water and Rivers Commission, because it is important to have a dedicated body looking after Western Australia's waterways and water resources. Once the commission is subsumed by the new Department of Environment, it will certainly be handicapped.

I know that the Government looked at financing the Water and Rivers Commission by charging a licence fee for dams and for bores in certain areas. Because of the backlash, it backed right away from that. Again, I do not think the Government was going about it the right way, but I will not go into that. It was a sensible move. However, I believe the Government did it for political reasons, rather than having the fortitude to go down that route with its idea. Now that it has not worked out that the Government will get all that money from charging licence fees, it has had to work out other ways to cut the costs of running the Water and Rivers Commission. Therefore, it will be absorbed into the new Department of Environment.

I do not support this legislation. I believe it will be a disaster, just as the Department of Health is now a disaster. Nobody in the department seems to know what they are doing any more. The management leaves a lot to be desired. I believe the same thing will happen with the new Department of Environment. It will become a monolith in which the services and the importance of the Water and Rivers Commission and what it was doing will fade away.

MR B.J. GRYLLS (Merredin) [7.43 pm]: The National Party also has serious concerns about this legislation. I will take this opportunity to deal with some of those concerns, and hopefully the minister will address them when she sums up the second reading debate. One of our major concerns has been about the consultation. This is a major change to the way in which water resources are managed in Western Australia. I would have thought that any move to disband the Water and Rivers Commission deserved full community consultation. All the

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stakeholders should have been made aware of what was happening and why, and of the so-called benefits. I certainly do not believe that that consultation has taken place, which has been a common theme, I suppose, with changes that the State Labor Government has brought into this House. Consultation is talked about. However, when industries and individuals in the community are asked what they have heard about the changes, it seems that the consultation process has not reached them.

Water is one of the most critical issues in the State of Western Australia, especially coming off the dry seasons we have had over the past few years. The National Party is very concerned about the changes that this legislation makes to remove the decision-making ability and process from the Water and Rivers Commission and to place it in the hands of the DEP, because, as far as we are concerned, the DEP has been all about restricting access to just about everything that Western Australians have come to accept as normal in the community. We are concerned that the DEP has become the regulator, which, in my opinion, is out of step with community expectations and what the community would like to happen.

I know that the Labor Government is trying to build on its green credentials as it moves towards the next election. However, the community must be on side for it to embrace those changes. At the moment the Government is out of step with the community in this debate. In a range of issues, if the Government is not on side, the changes are deemed to be not necessary and not effective. We are getting to the stage at which the Government is running off on its agenda, but it is not reflecting the will of the community. That should ring alarm bells for the State Labor Government at the moment, because on many issues across a wide range of government activities, the Government is certainly out of step with what the community would like to happen.

I will talk about how critical an issue water is in Western Australia at the moment. I believe the water restrictions have been widely accepted by all Western Australians as a necessary evil because of our dry climate. However, from a government point of view - I was speaking about this to someone tonight - \$42 million of government revenue was cut because the Government did not have the water to sell to consumers in the first year of water restrictions. That \$42 million would have gone towards renewing the infrastructure that is necessary to provide water, as well as giving a dividend to the Government. A major issue is that the resource is not available to meet the demands of the public. However, the Government has done nothing that I can see to alleviate that problem. I would like the opportunity to talk about desalination in the 17 minutes available to me, but that is not part of the legislation before us today.

Of the overarching issues that Western Australia is facing, water is certainly at the top of the list. For that reason, I would have thought that the Government would have widely championed the issues it has brought to the Parliament today in these machinery of government amendment Bills, so that the community was well aware of what was happening. The Machinery of Government (Water Resources) Amendment Bill transfers the functions of the Water and Rivers Commission to either the minister or the chief executive of the Department of Environment, and the department will also administer the Environmental Protection Act 1986. When these Bills come into operation, the Minister for the Environment will have the overall responsibility for water resource management, including the determination of policy, by-laws and strategy, and approving plans. The National Party is concerned about the minister taking control of these matters. The reason is mainly the track record that the current Minister for the Environment has built up in dealing with these issues of concern. As other members have indicated, at the moment there are small fires on all fronts when it comes to the DEP. Just today questions were asked about the role that the Department of Conservation and Land Management is playing in the frivolous prosecutions of not just a few, but many Western Australians who were going about what they considered to be normal, everyday activities. However, the Department of Conservation and Land Management came along and slapped prosecutions on them. The concern that we have raised time and again is that CALM does not seem to be performing its main task of looking after the environment. That department seems to be running campaigns to take people to court. There is another court case tomorrow. The Allan Yandele case at Naremburn was the previous one. The clearing issues in Binnu seem to have been averted at the moment. The issue about the feeding of the sea eagles in Esperance thankfully seems to have been taken off the agenda. Bureaucrats across the board, from the departments controlled by the minister, are completely out of step with community needs and expectations. If the Minister for the Environment were in control of the issues and represented the needs and aspirations of regional Western Australians, such a change could probably be supported, but because the minister is unable to take control of the department, and the Department of Conservation and Land Management is completely out of step with community expectations -

Mr B.K. Masters: In fact, running rampant.

Mr B.J. GRYLLES: Yes. The Department of Environmental Protection is in all sorts of trouble with Brookdale and other issues. We are not exactly filled with confidence about the ability of the DEP to take over the role of the Water and Rivers Commission. I will provide one example that other members have focused on within their own electorates: in the wheatbelt and in the electorate of Merredin deep drainage is a very contentious issue. A

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lot of people have put hours and hours of their own time and money into working on the deep drainage issue. The court action by CALM in Narrogin tomorrow is about the deep drainage issue, with a person going into the CALM reserve to try to highlight some of the downstream effects of deep drainage. The Water and Rivers Commission has done a lot of work on deep drainage and it has looked very closely at these difficult issues. As legislators we need to get this issue right in Western Australia. The Water and Rivers Commission has taken quite a proactive role in the deep drainage issue, but a proactive role is not something we associate with deep drainage issues and the DEP. The DEP has talked more about regulation and penalty, and in my electorate it certainly does not come across as an organisation that people can work with or that is prepared to look at all the issues and present some workable solutions. This legislation will disband the Water and Rivers Commission and place its work under the control of the Department of Environment; therefore, we can understand why the alarm bells begin to ring in the minds of those people who are trying so hard to come up with solutions to these problems. I note that there are some people from the DEP in the Speaker's gallery. When this Bill is passed with the support of the government numbers, in this House at least, I hope that one of the major focuses of this amalgamation of the Water and Rivers Commission and the DEP will be the appeals section. The DEP is out of step with community needs, the legislation will remove the specific actions of the Water and Rivers Commission and amalgamate it with the bigger department of the DEP, and there will be numerous -

Dr J.M. Edwards: It is actually a smaller department; it is half the size.

Mr B.J. GRYLLS: The DEP?

Dr J.M. Edwards: Yes.

Mr B.J. GRYLLS: As opposed to the Water and Rivers Commission?

Dr J.M. Edwards: Yes.

Mr B.J. GRYLLS: What about staff numbers?

Dr J.M. Edwards: Absolutely; nearly half as many.

Mr B.J. GRYLLS: Therefore, the Water and Rivers Commission will be actually taking over the DEP?

Dr J.M. Edwards: That is right, because it will have nearly double the staff.

Mr B.J. GRYLLS: It would be great if that were to happen.

Dr J.M. Edwards: The numbers bear it out.

Mr B.J. GRYLLS: The DEP will be the regulator and we are concerned about its actions and general directions. When the Water and Rivers Commission comes under that banner it may reflect the same stand on issues as the DEP. I hope the minister will explain how the appeals process will work.

Dr J.M. Edwards: There will be no change.

Mr B.J. GRYLLS: The minister will need to allocate a few extra staff to that appeals process, because there will be a lot of unhappy people. We are seeing that being played out in the courts, and it is disappointing that it should get to that stage.

Dr J.M. Edwards: How do you think it will change?

Mr B.J. GRYLLS: We are concerned that the DEP will begin to take control of the Water and Rivers Commission and just become a regulator that says no.

Dr J.M. Edwards: Which bit of legislation does that?

Mr B.J. GRYLLS: It states that the Water and Rivers Commission will be disbanded and brought under the control of the department.

Dr J.M. Edwards: Only the commission as an entity; all the other statutory responsibilities stay exactly the same.

Mr B.J. GRYLLS: I understand that; the minister is right. I understand the framework will not change. We are concerned about the role that the DEP has been playing up until now and that, once the departments are brought under the same umbrella, the Water and Rivers Commission people will start to reflect the same issues.

Dr J.M. Edwards: The appeals procedure in the DEP is probably the bit that works best.

Mr B.J. GRYLLS: We would have more faith in this process if that had been borne out in the two and a half years that I have been in this Parliament.

Dr J.M. Edwards: How many appeals have you been involved in with the DEP?

Mr B.J. GRYLLS: At the moment?

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Dr J.M. Edwards: I can tell you.

Mr B.J. GRYLLS: What does the minister mean by “involved in”? Is she asking how many I know of or how many I have actually stood up and made a submission in?

Dr J.M. Edwards: How many times have you made an appeal?

Mr B.J. GRYLLS: I have not made any personally, but I have been involved in appeals that have been made to the DEP - Portland Mining for a start.

Dr J.M. Edwards: Wasn't that a good outcome?

Mr B.J. GRYLLS: It should not have reached that stage.

Mr M.W. Trenorden: It was a part outcome.

Mr B.J. GRYLLS: That is right; it was exactly a part outcome. The minister will have her chance to make a contribution during this debate. We have an opportunity to put our concerns on the record and that is exactly what I am doing at the moment. The appeals process will have to be strengthened, because many concerned Western Australians will be making appeals if - I will give the minister that benefit - the DEP continues on the same track.

As the minister just outlined, the Bill will create no new regulatory powers; its main thrust is merely to transfer the functions of the commission to the minister or the chief executive officer of the Department of Environment. As I said, if we had some faith in the Department of Environment, these changes would be relatively easy to accept, but currently we do not have that faith and that is why we are putting these concerns on the record. Until now, the DEP has not been a friend of regional Western Australia. We hope some changes will result in the department working more constructively with regional Western Australia to counter all the issues that the member for Warren-Blackwood spoke about when he referred to farmers being charged after they had put their own capital into building dams. In the farmers' last involvement in this process it looked as though they would be liable to pay a licence fee. Thankfully that has been removed. However, as the member for Warren-Blackwood said, it may come back to be an issue. In the minister's second reading speech she stated -

The Government believes that the integration of water resources management with environmental protection will provide substantial efficiencies in administration and a more effective service to business and the community, particularly in regional areas.

When the State Labor Government starts talking about substantial efficiencies in administration, does that mean fewer employees in regional Western Australia? The Water and Rivers Commission has a good presence in regional Western Australia, and I hope the process will not be centralised with the Water and Rivers Commission employees coming under the banner of the DEP. I assume they will be transferred straight across to the Department of Environment. I hope that transfer does not result in staff from regional Western Australia being brought back to head office. Once again the track record on this is not good for the State Labor Government. Every time there is a push for efficiency in administration, there is a corresponding contraction of employment opportunities in regional Western Australia and centralisation of the process back to the bureaucracy in the metropolitan area. That not only has a negative impact on people in regional Western Australia involved in water issues with the Water and Rivers Commission, but also it has a downstream effect on schools, the buy local policy and so on in the whole community. I hope that the minister in reply will be able to assure me that there will be no reduction in employment opportunities in regional Western Australia and, in all hope, that perhaps there might be some decentralisation. Because the majority of water related issues are in regional Western Australia, the majority of employees should maintain a presence in the regions so that they can be on the job to make sure they get first-hand knowledge. A constant criticism from regional Western Australia is that departments that are located in the metropolitan area are city-centric, are focused on city-based issues and lose the real local push that is so very important to people in the regions.

The last point I make is about natural resource management groups, which are the major disseminators of information back to the department. These NRM groups are important, but they are currently hamstrung with a lack of funding. They have constantly struggled in the past two years to get the National Action Plan for Salinity and Water Quality signed off for the full amount of \$156 million. Currently only \$31 million has been agreed to by the Labor Government, with promises of more to come. However, NRM groups are not filled with confidence that those promises will be kept. Although I welcome the part that regional NRM groups will play in this legislation, which they should play, as they are a very good conduit for community information, I hope the minister is concerned by the level of funding that the groups have received. I also hope she is concerned that NRM groups are hamstrung by the national action plan, which should make many more millions of dollars available to bolster them and to increase their enthusiasm for the process. We should try to get them enthused

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again in the process, rather than leave them with the belief that they are just a dogsbody forced to go through the motion of developing projects but without any real money to build on them. If the minister gave NRM groups the resources they need through the national action plan, they would be far more inclined to become part of the process and would be able to contribute a lot more to it. In that way a better outcome would be had for regional Western Australia through NRM group representatives, and the minister could rely on the information put forward by those groups. I hope the minister will take some of the issues I have raised today to the department and reflect on them in regional Western Australia.

MR M.W. TRENORDEN (Avon - Leader of the National Party) [8.03 pm]: I will go back to a question the minister asked the member for Merredin and give the minister a good reason for being suspicious about these processes. It is a well documented reason that cannot be disputed. I refer to the 1980s collapse of the Pyramid Building Society Ltd in Geelong, Victoria, other activities that occurred in Victoria, the collapse of the State Bank of South Australia and our own problems with WA Inc, and the legislation and role of Auditors General in those processes. Anyone who spent five seconds examining those processes would know that the role of Auditor General has changed enormously since that time. However, not one piece of legislation has changed. Auditors General are operating under exactly the same Acts. It is the procedures and attitudes within an agency that count. Our concern is that those procedures and attitudes are not set in concrete.

I am concerned about these Bills for a number of reasons; one is that my constituency does not know about them. I have a track record in this place - the minister of all people will probably acknowledge this - of having spent a lot of time in the minister's home town and other places convincing people when the Water and Rivers Commission was established that the use of water needed regulation. Although I batted strongly for regulation, I got a fair hiding from good people who were very concerned about it. Although I had some reservations about regulation, I was in there fighting for it. I was one of the people on the original Avon River management group way back in either the late 1970s or the very early 1980s. I was therefore involved in the process and I could see why regulation had to occur. However, the people who took four to five years to be convinced that the regulation was needed are now finding that the regulation will move very much to a group of people whom they consider to be the enemy. I agree with the member for Merredin that the community has no evidence that the Department of Environment will be anywhere near fair to regional WA; I want my constituents to be convinced of that.

I was involved about a decade ago in the question of the evolving responsibilities of ministers. I agree, for example in this case, that the minister responsible for the supply of water should be a different person from the minister responsible for the control of the regulation. There is good reason for that. It has occurred before. The minister's role has not changed. I can understand clearly why separate ministers should be involved in those processes. However, this legislation will result in the Water and Rivers Commission moving into a brand new culture. Nobody in my electorate is aware of this legislation. In the past few days I have phoned people and asked them about it. I am talking about people who are prominent and interested in the world of water resources; they do not know about these Bills. That fact alone is reason enough to delay the Bills and to undertake a process to involve the public and to convince them to support the legislation. Another reason is that water is an A-grade issue. Water is the number one issue for all Western Australians, whether they are in the middle of the metropolitan area, as far north as Kununurra or as far south as Esperance in regional WA. Western Australians have very high concerns about the use of water and its regulation. People want to be involved in the process. Just because the Government has gone through a machinery-of-government process does not give it the right to make these changes without involving the public. The Government has not engaged the public. It must engage the public.

Next week John Anderson, the Deputy Prime Minister, will fly into the State and address a water forum in Nannup. I suspect quite a few people will attend that forum.

Mr P.D. Omodei: Hundreds.

Mr M.W. TRENORDEN: Yes, because of the importance of the issue, not just because he is the Deputy Prime Minister. It will also be because he has brought legislation into the federal arena and people in Nannup will be interested to hear him talk about the legislation. Water is a prime issue. I do not know of anybody who is not interested in talking about the outcomes of water regulation, whether they be talking about Ernie Bridge's dream of bringing water down from the Ord River or, in most cases, about their total opposition to the desalination of ocean water and its use in the metropolitan area or the central wheatbelt where we have a particular argument of our own. As the member for Vasse said, there are very high concerns about water in his part of the world. The Government has talked about the Yarragadee aquifer. The Water Corporation has drilled the bore to take water from the Yarragadee, but the water has not yet been pulled out. My interpretation of that process is that the Water and Rivers Commission has not assessed the situation well enough to be able to say that these waters can be used. Therefore, one is moving from a situation with the Water and Rivers Commission operating with a

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group of people who know about water to a department that has a culture of environment generally and in which water is only one section of its activity. That alone sends tremors down my spine. I will not vote for this Bill until my constituency has at least some comfort through knowledge about the Bill.

I repeat that I was out in the community battling for regulation when it was unpopular. I got a hiding. I can refer to some people the minister knows very well who were not happy with me because I battled for regulation. However, it was done over a three or four-year period to allow people an opportunity to vent their feelings. The minister's side was in government at the time, so it was not as though I acted from the government backbench; I was on the opposition backbench. I believed in the argument - I still do. However, people must have information. Information is power. The minister knows that if these propositions are imposed on people, they will not be accepted. It does not really matter whether the minister believes that conspiracy theories are involved.

I have concerns about the Department of Environmental Protection, as the Department of Environment, controlling water. Ample examples can be cited of the culture of the agency taking over, and I am definitely not impressed with that culture. The minister needs to do a fair bit of work to get that attitude of support in the community. In the early years of its operation, the Water and Rivers Commission changed titles and changed the land ownership status of individuals in Avon, such as by removing ownership of property from a mid point in the river, removing century-old access to the river for stock watering and a raft of other decisions. The commission stopped doing this about three or four years ago. The reality is that the Water and Rivers Commission became like CALM: the commission took back land, but no-one then looked after that land. It reached the stage that the landowner was told that responsibility to the high-water mark was no longer his; that is, it became someone else's responsibility. However, the Water and Rivers Commission stopped this process - I did not disagree with that - but no-one took responsibility once the land's ownership and title had been removed. An interesting situation arose with a famous property at Deepdale near Toodyay with about six kilometres of frontage onto the Avon River. This is a substantial issue to people such as those involved with that property, and considerable pain has been felt in my electorate over the operation of water regulations. The situation has changed.

Mr B.K. Masters: One very important difference is that when people in Perth or an urban area want water, they turn on a tap. When country people want water they must dig the well or dam and do it for themselves, and wait for it to rain. There is a completely different understanding of dependency by the farmer compared with that of an urban dweller.

Mr M.W. TRENORDEN: I agree with the member for Vasse. However, I worry about another perspective; namely, there seems to be an inference, particularly in the Department of Environmental Protection, that landowners hate water, land and trees and want to destroy the world. There must be regulation: I have said four or five times that I am a strong supporter of regulation. Nevertheless, it must be regulation on merit, not regulation for the sake of it. I am very concerned, as the member for Avon, that if responsibility goes to the Department of Environment, a fair dose of regulation will be made for the sake of it.

The great example has been given a few times before, but it is important. A large number of gravel pits have operated for many decades in reserves. The Department of Conservation and Land Management simply draws a line and states that the gravel can no longer be accessed. Members understand that mining is a destructive process. Nevertheless, if gravel is to be used for roads, it must come from somewhere, and it should come from the most economic source. It is lunacy for the department to say that because the gravel pit is on CALM land, it will never be made available. That should not be an option available to CALM.

Many other questions arise relating to CALM, which is becoming unfriendly in many areas. The use of reserves for riding horses in Bakers Hill is another issue. The truth is that the community polices that situation, not CALM. People do not ride horses because they do not want people riding through the forest. People agree that certain areas should be used. I challenge the minister to visit the area west of Northam to show me areas upon which CALM has prosecuted people using crown land. There are none.

I refer to another deplorable situation: people are driving through the bush in the Avon Valley National Park in four-wheel-drives knocking over trees and vegetation without any penalty whatsoever. Never mind the stories we heard in question time today. The road gullies are so enormous that people will not drive on the road. What is CALM doing about that? Nothing!

Mr C.J. Barnett: Where is that?

Mr M.W. TRENORDEN: I refer to the Avon Valley National Park, about halfway to Toodyay. I do not want to tell the Leader of the Opposition about it as it is a beautiful place. I do not want too many people to go there!

Dr J.M. Edwards: The Leader of the Opposition would know already.

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Mr M.W. TRENORDEN: It is a magnificent place. If the Leader of the Opposition has time, he should have a look. It is a very pretty place that drops down to the Avon River. The minister should check what I have just said. She will find it to be absolutely true. Also, “no fires” signs can be seen in the Avon Valley National Park standing over a row of bricks where a fire has been lit. That activity is not being policed. Even worse, it is happening in the John Forrest National Park, and the minister and I both know what would happen if a fire were to break out in that national park. People light fires without any sense of risk because it is known that CALM officers will not turn up. CALM does not have the resources to police the matter. A range of issues must be dealt with. Frankly, tomorrow’s court case will see an individual prosecuted for driving through crown land. However, people are driving on crown land in the Avon Valley National Park on a daily basis, and CALM does nothing to stop it. There is a big slice of hypocrisy with CALM and the DEP.

Mr B.K. Masters: And double standards.

Mr M.W. TRENORDEN: Huge double standards are involved, and that is why people are angry. Nobody condones people who break the law. However, it is appalling that CALM condones activities in one place and pings people in another place for the same thing. I know it is happening. There is a heap of anger out in the community, which the minister would do well to note. Honourable people are angry, like Darryl Wiese, whom I know well and I presume the minister knows him relatively well; he is a conservative man who is not hot-headed and has been involved in public life for a long time. For him to take his current attitude should be a loud message to the Department of Conservation and Land Management that things are close to bottom. If I need other reasons other than the one I have outlined, I will give them a miss. My first reason for not supporting the Bill is that my constituency knows nothing about it.

MR T.K. WALDRON (Wagin) [8.20 pm]: I too oppose the Machinery of Government (Water Resources) Amendment Bill and the Water Resources Management (Administration) Bill. I will not talk for very long, because I think my National Party colleagues have outlined very clearly the reasons that we oppose this legislation. The Machinery of Government (Water Resources) Amendment Bill will transfer the functions of the Water and Rivers Commission to either the minister or the chief executive officer of the Department of Environment. The department will also administer the Environmental Protection Act.

The great concern in the community is lack of consultation. That has been mentioned a lot in this place. Consultation is very important. I have just been through a problem in the past two weeks with the lack of consultation about the future of Dumbleyung hospital. We have today been able to overcome that problem with some real consultation and talking it through. Had that been done before now, it could have saved the Government a lot of pain and a lot of publicity. Consultation is an easy word to say, but it needs to be done properly. I do not think the people in my electorate have any idea about this legislation. There are some very important issues in my electorate, particularly in the Collie catchment. The Water and Rivers Commission has been very much involved with those issues. I am sure the people who have worked on those issues, and the people who have been involved with the Department of Environmental Protection’s activities in other areas, will have some real concerns about this legislation. Although I heard the minister say to the member for Merredin that nothing will really change in the Act, people do not know that. As the member for Avon said with regard to the Auditor General, cultures do change, and although the written word may say one thing, the reality of what happens on the ground may be another thing altogether. That is a real concern. That is why I want to speak briefly on these Bills to let the minister know of those concerns.

In the three years that I have been a member of this place, water resources has been a critical issue. I am sure everyone would like to be able to fix the water resources issue across the State. There are many different ways in which we can and cannot do that. The issue of water supply will get bigger and bigger as time goes on and our population grows. Our summers seem to be getting drier. It does not appear to be commonsense and practical at this time, when we should be putting more focus on water supply, to move the Water and Rivers Commission into the Department of Environment. Water management in this State is critical. I think that in 15 years people in this State will still be saying how critical water supply is. The decisions that we are making now will have long-ranging effects. We should focus in a proactive way on our water management. I believe the effect of this legislation will be to dilute the focus of the Water and Rivers Commission. The minister said in the second reading speech that the proposed amalgamation will create more efficiencies. I do not know how combining departments and making them larger will create more efficiencies. As we saw with the combining of ministerial roles at the start of this Government’s term in office, it may save money to give fewer ministers more responsibilities. However, if ministers have too much to handle, something will give. Consultation that probably should have taken place has had to give as a result of the amount of responsibility that has been placed on ministers in this Government. I am concerned that the same thing will happen with water management.

As I have said with regard to environmental issues, regardless of whether it is the Department of Environmental Protection or the Department of Conservation and Land Management, people in the real world are not so much

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concerned about which department deals with issues as they are about getting results. Other members have mentioned the problems that people are having with environmental issues such as land clearing, and the uncertainty that has been created by the Environmental Protection Amendment Bill. The people in my region are very unsure and scared about that legislation. There is also concern about the frivolous prosecutions that have been mounted, as we will see tomorrow in Narrogin, the town in which I live, where it is causing divisions in the community. All these things mount up in people's minds. People in my area who have had dealings with the DEP have found that the consultation has not been of a high standard, and they have lost confidence. I refer particularly to the problems with the effluent and smell from Great Southern Outdoor Piggery in Narrogin, which has been an issue ever since I have been a member of this place. There is a similar issue with the Darkan tannery. There has been no proper enforcement of regulations in that area, yet there have been frivolous prosecutions in other areas. I am sure that some of the people on the ground have done the best they can, but perhaps more needs to be done to change the culture of that department.

I believe we will have a real problem when water management is transferred to the Department of Environment. I have worked with people from the Water and Rivers Commission as part of my work with the Collie catchment group. The people from the Water and Rivers Commission consult with the community. They are also involved in the evolving plan of looking at diversions, engineering outcomes and all of the other scenarios. They have worked closely with the people in that area. That is a very good process. Hopefully we will soon have some real results in the Collie catchment and for the Wellington Dam, which holds more water than any other dam in the south west of our State. I wonder whether the people in regional areas will be retained when the Water and Rivers Commission comes under the Department of Environment. Country people often believe that they are losing services and people. It is important that people in country Western Australia feel they have people available who can help them with their problems. I will not name people, but the Water and Rivers Commission has some really good people in the job, to whom many people in my region go whenever they have an issue with water supplies, and they know they will get somewhere. That is important. I hope those people will be maintained in regional areas and their focus will be maintained. However, I, along with a lot of other people, have a real concern that when the Water and Rivers Commission is mixed with the culture of the Department of Environment, the focus will not be the same. Water resources will be a huge issue from now onwards - I am sure for our lifetime. The people in regional areas do not know about this legislation. If they did, I am sure they would have a lot to say about it. For that reason, I, along with other members of the National Party, will be opposing the Bill.

MR C.J. BARNETT (Cottesloe - Leader of the Opposition) [8.27 pm]: I have been listening with interest to the comments that have been made by some of the country members of this Parliament on the Machinery of Government (Water Resources) Amendment Bill and the Water Resources Management (Administration) Bill. I want to reflect back to when the Community Water Summit was held in this Chamber a little over a year ago.

The ACTING SPEAKER (Mr A.D. McRae): Order! The member for Warren-Blackwood is, firstly, out of his seat, and, secondly, using language that is unparliamentary. Do not do it, please.

Mr C.J. BARNETT: I recall that right after the opening address, someone stood from the body of the Chamber and asked a very straightforward question. That question was: who is the minister for water? No-one could answer that question. Neither the Minister for the Environment, the Minister for Government Enterprises nor the Premier could answer that question. I thought it was a fair question and it deserved a fairly simple answer. If we think about it, Hon Nick Griffiths is the Minister for Government Enterprises, so he has responsibility for the Water Corporation. The Minister for the Environment presumably has responsibility for the Water and Rivers Commission under Labor. The Premier now has a water unit within the Department of the Premier and Cabinet. The Treasurer, because of the Economic Regulation Authority, will now have a responsibility for water regulation. There are certainly four ministers with responsibility for water, and I think there is also a fifth minister who has responsibility for water in some way. Therefore, that was a very fair question that that delegate asked.

I want to follow up on what the member for Wagin has said. Water is probably the key resource in our State. Water is scarce and precious, and we need to manage it properly. In a Government, there should be one minister who has responsibility for water. It is as simple as that. It may be logical - indeed it was done by the previous Government - to separate the roles of water delivery, à la the Water Corporation, water regulation and environmental management activities for conserving and managing the resource, protecting wetlands and the like. It is sensible to split up the roles, particularly with the trading enterprise having a commercial role, but neither regulatory nor management roles for water resource allocation. That is sensible, but it is equally sensible to have one minister.

The naïve view that came out of the competition philosophy of the 1990s that all these functions can be split up and there will be a utopian decision-making process, is an absolute nonsense. What difference does it make? I

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sat around a cabinet table for eight years. All these conflicting points of view are argued on the basis of who is tougher and whose territory will hold sway over the rest. At the end of the day one would hope that Cabinet would make a wise decision, but why wait until that stage? Why wait for all the contrary points of view to become so embedded and entrenched that they must come to Cabinet, where probably not the wisest decision will be made but the stronger minister's view will prevail over that of the weaker minister? Why not have a minister with the responsibility for water who can take the views of the Water Corporation and the regulatory point of view, look at the resource allocation and environmental points of view, bring them together, resolve them and bring into the process the public interest? At the end of the day that is all ministers do: they bring the public interest to public decision making. They are elected and charged with that responsibility. We might as well have a minister for water.

I completely agree with some of the comments made. Someone should be identifiable within government who has the responsibility of managing the State's water resources in every respect. That is a key responsibility in a State as arid as Western Australia. For that reason I oppose this legislation. I believe it is built on a theoretical model that bears little resemblance to what happens in reality. It takes away and diminishes the importance of water in our society. I concur with many of the comments made about the Department of Environmental Protection. This State has enormous environmental issues, yet we find that the agency charged with environmental protection is focusing on trivia and not the big issues. That reflects a lack of government guidance and indicates that the department is not functioning as well as it should. I believe the Government is wrong and that this is a mistake. One senior minister should have the responsibility for our precious resource of water.

DR J.M. EDWARDS (Maylands - Minister for the Environment) [8.33 pm]: This has been a very interesting debate because it has ranged broadly and related to resource management issues rather than the Bill. One of the flavours coming through is that some sort of big takeover is occurring. I find that really fascinating, particularly when one looks at the size of the two departments that will be amalgamated. I need to reiterate that this legislation is about the amalgamation of two departments not about takeovers. If members are worried about takeovers, they should be worried that the Department of Environmental Protection will be taken over by the Water and Rivers Commission, because it has nearly twice as many staff as the department. The criticisms of these Bills that I have received to date are that there will be a loss of the regulatory function and a loss of focus on it. I wonder which segment of the broader community the debate is representing.

When we came to government officers of the DEP came to me and said two things. They said that we needed to immediately close the Karratha and Kalgoorlie offices. I said that would not happen, because it was not acceptable to me. I am very proud that today the Karratha and Kalgoorlie offices have good staffing levels and good people. We have been able to do that by functionally combining the Water and Rivers Commission staff and the DEP staff. One of the immediate benefits of the way we are operating is the increased services to the regions. The regions are incredibly important, and virtually every speaker tonight has made the point. I am now confident that there is much better service delivery, particularly in the environmental protection part of the portfolio, than was the case when we first came to government. Indeed, at that time, I believe there was one full-time staff equivalent in the Kalgoorlie office who, for valid personal reasons, was keen to return to Perth and shortly after that he was able to do so.

Members pointed out earlier that the Water and Rivers Commission was created as a result of the separation of the then Water Authority into the Water Corporation, the Water and Rivers Commission and the Office of Water Regulation. What we are doing tonight will not change their activities; operationally the Water Corporation will not be affected by this legislation. Resource protection is one of the major roles of the Water and Rivers Commission. We believe it will be enhanced by allocating it to the Department of Environment with the Minister for the Environment properly overseeing it. At the same time Parliament has dealt with changes to the Office of Water Regulation as a result of which a new Economic Regulation Authority and Office of Water Policy will be established, which will take on the remaining functions of the Office of Water Regulation.

When we were in opposition we made a commitment that we would include the Water and Rivers Commission in the environment portfolio. It is similar to the situation when Hon Peter Foss was Minister for the Environment and he had the Water and Rivers Commission under his control at the time the split first occurred. We came to government and the Water and Rivers Commission came under my control. Subsequently the machinery of government review took place, which recommended that the DEP and the Water and Rivers Commission be combined. One of the reasons we have done this, despite the arguments put forward tonight, is that there will be increased accountability and, at the end of the day, the minister will be responsible for the decisions. A group of people nominated by the minister, which is what the Water and Rivers Commission is, will not make the decisions, but rather they will provide advice to the minister who will make the decisions.

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A number of concerns have been expressed tonight about this Bill allegedly resulting in a shift of power. The member for Vasse is concerned that the Minister for the Environment will somehow take more power. He is also concerned that the chief executive officer will be subject to direction. Under the current law, the board of the Water and Rivers Commission is subject to the direction of the minister, if the minister wishes to exercise that direction. To that extent, nothing will change. Many things that have been said tonight do not reflect the contents of the two Bills. The member for Vasse spoke about the abolition of the management authorities, and I will not go over that. He also spoke about the valuable role of GeoCatch and the Cockburn Sound Management Council. As a result of these Bills, their functions will continue and the committees and councils will continue. They will be re-established seamlessly as committees appointed by the minister.

I will go through some of the other concerns that have been raised, one of which relates to part 2 of the Water Resources Management (Administration) Bill and the formation of the Water Resources Ministerial Body. The member for Vasse raised two concerns. One was that he thought a 1974 Act overcame the concerns we had about ministerial bodies and the other related to land being sold off. We have had a lot of consultation with the Department of Land Information on this matter. We think that the Act to which the member referred underpins that department, but the department is in favour of establishing a ministerial body. In fact, I will list the advantages of that compared with the existing arrangements. The first advantage is transparency; currently when the Crown or the State holds land, a member of the public can have a great deal of difficulty finding out who is responsible for it. The second advantage is perpetual succession, which I think speaks for itself. The third is a commercial advantage; companies are far happier dealing with a body corporate than a minister, and legal obligations and responsibilities are much clearer when dealing with a body corporate. The fourth relates to precedents; a number of ministers are now bodies corporate, as is the chief executive officer of the Department of Conservation and Land Management. A ministerial body is no different; however, this designation has the added advantage that the name does not change when the portfolio changes. The fifth advantage is accountability; there is no change in the level of accountability. The sixth is intellectual property; in fact, the ownership of intellectual property becomes easier with a ministerial body. The notion of the Water Resources Ministerial Body has received a lot of attention. The Government believes it is an advance on the present system. The second point - that land could be sold far more easily - is not true. I reassure the member for Vasse that the merger is not occurring for that reason.

Mr B.K. Masters: The minister becomes the minister of the body, if she chooses to sell land; what is the transparency? How will the Opposition or the public find out about a potential sale of land?

Dr J.M. EDWARDS: I will find out that information and provide it to the member during the consideration in detail stage.

Concerns were also raised about the new Water Resources Council. The Water and Rivers Commission board comprises seven people, including the CEO. We are proposing that four to six people be appointed by the minister. I intend appointing six people and some of the people who are on the present board of the commission will transfer to the new body so they can take their corporate knowledge with them. As I have done with many of these bodies, it is my intention to advertise to see who is available and who would be interested in it. There are presently some good members on that board. Like the member for Warren-Blackwood, I take this opportunity to pay tribute to Ken Webster, who has chaired the board for a number of years. We have recently appointed a hydrogeologist, the lack of which position had created a gap in the level of competence. A person with planning expertise has also been appointed because that area could benefit from further attention. The member for Vasse also raised a concern about the power to direct the chief executive officer. As I said previously, this is similar to the existing power that enables the minister to direct the board. If the board is directed, such a direction must appear in the annual report.

Reference is made in part 4 of the Bill to delegation by the CEO to someone not employed in the department. Members will notice that this legislation covers a number of Acts, such as the Water Boards Act 1904, under which the boards employ people in their own rights. One of the capacities of the "delegation" is that if for a good reason the CEO needed to delegate a responsibility to someone employed by that entity, that could happen. I sought further information on this over the dinner break but I do not have all the answers I wanted. I will provide the member with more information on that point also.

The member for Vasse also raised concerns about clause 26(1) on page 13, which enables existing wages staff to be employed in the future. The Water and Rivers Commission employs a number of wages staff such as field staff, plant operators and people who harvest algal blooms when they occur. They are covered by Australian Workers Union awards, not public sector awards.

Mr B.K. Masters: Why is there a need for that?

Dr J.M. EDWARDS: We must have the ability to continue to employ those classes of people.

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Mr B.K. Masters: Why did the commission need to employ people under a different award from the public sector award?

Dr J.M. EDWARDS: The nature of the jobs are covered by other awards. Harvesters are used in the Peel-Harvey area when algae is removed and people driving tractors are not generally employed under the public sector award.

The member for Greenough also raised a number of issues, the first of which was that all the functions of water resource management may be lost. I can reassure him that there will be no changes to any of the functions of the Acts covered in this legislation that would change that regulation. It will be business as usual with respect to water allocation, assessment, conservation and protection.

Mr P.D. Omodei: A new CEO will have much greater powers than under the previous legislation.

Dr J.M. EDWARDS: I am not sure why the member for Warren-Blackwood is concerned about the powers of the CEO. A board of people who are not elected but are appointed by a minister, and who have less accountability, are more of a risk to good decision making than a minister who is responsible in this Parliament and a CEO who is regulated by a number of Acts and is responsible to the minister. Perhaps the member may be able to explain to me his concerns. There is no hidden agenda in this legislation. I am somewhat amused at the member's concerns about the power provided to the CEO.

Mr P.D. Omodei: If you were on the receiving end and being denied access to water you might not be so amused.

Dr J.M. EDWARDS: Nothing will change with the appeal process. It will be no different from the present system. Decisions are made that people do not like and they have the right to appeal if they do not like them. I encourage them to appeal. Nothing in the appeals system will change with these two Bills; it will remain exactly the same. The member for Greenough also raised concerns about local people having a say. The mechanism of water resource management committees will continue. They are good mechanisms for getting local input and they are unaffected by these two Bills. The member also raised concerns about the ministerial body. In response to his question about financial implications, there are no changes. Land is managed and will continue to be managed. Some costs will be attached to it, but that change will have no financial implication.

The member for Warren-Blackwood referred to the length of the second reading speeches. That concern is different from that which comes from the other place, where members often complain that second reading speeches are too long. The amendments in the Machinery of Government (Water Resources) Amendment Bill, the larger of the two Bills, to the Country Areas Water Supply Act are contained in a number of pages that delete the words "commission", "Minister" and "CEO", for example, and then insert the appropriate words. On flicking through I can immediately identify four pages that contain those amendments. Similarly, changes to the Metropolitan Water Supply, Sewerage, and Drainage Act 1909 on pages 14, 15, 16 and 17 of the Bill contain all the same changes. The same applies to the Rights in Water and Irrigation Act 1914, and only two pages of changes apply to the Swan River Trust Act and the Water Agencies (Powers) Act 1984 because they are more modern legislation.

Mr P.D. Omodei: The argument is that rather than referring to the clauses of the Bill, legal practitioners usually refer to the second reading debate to understand the intent of the Bill. Both second reading speeches are very scant.

Dr J.M. EDWARDS: I take the member's point. I do not like saying or writing something just for the sake of having a huge volume. I urge the member to flick through the Bill to see how straightforward it is and how often the set of changes are repeated for the various Acts because of the functional changes we are making.

Mr P.D. Omodei: I have had a good look at it.

Dr J.M. EDWARDS: The member also referred to clause 90, which deals with the transfer of a licence on the death of a licence holder. This change needed to be made. The amendment is in response to an issue raised and this legislation provided an opportunity to change it. The member also commented on applying the licences to the property. I must remind him of the changes he made when he was in government to the Rights in Water and Irrigation Act 1914. We are not touching the functioning of that Act. To the extent the member raised some concerns about water banking, nothing in this Bill will change anything the member did in 2000. We are not interfering. We are improving that one section and giving people the ability to transfer licences.

Mr P.D. Omodei: Perhaps the minister should have changed the legislation. No-one is perfect. Water banking will be detrimental to retaining productive land. We should be moving towards applying licences to land titles rather than to individuals.

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Dr J.M. EDWARDS: That is an interesting discussion we could have. That tends to run away a little from the way in which some things are moving. However, in response to concerns raised in the past few years, we have made some policy changes, particularly with regard to water trading. Therefore, as some of the issues to which the member has referred were raised with us, policy changes occurred to address those issues.

The member for Warren-Blackwood also spoke very eloquently about some of the water-related activities that are taking place in his area. I am not too sure what he meant by his comment on the wine. I think he said that his area was becoming notorious for its wines. I am sure that was a compliment.

Mr P.D. Omodei: It is true.

Dr J.M. EDWARDS: Yes, it is.

Mr P.D. Omodei: The semillon, sauvignon blanc and chardonnay are outstanding.

Dr J.M. EDWARDS: Absolutely. We all acknowledge the importance of water for those activities, particularly for horticultural, viticultural and agricultural activities. However, with the way the department has been managed in the past few years, the strong message given to staff has been to get out into the regions, to get closer to the people on the ground with whom they are working and to better understand what day-to-day management decisions mean. I will give an example of the way in which we are approaching compliance and enforcement. There was a difficulty with compliance and enforcement. We have now said to the licensing officers that they must go out and do their licensing, make sure they understand how a licence works, make sure they understand the practical ramifications and do their work on compliance. However, if they detect serious non-compliance, with environmental consequences, they should call in the enforcement unit. One of the great benefits of the work we have been able to undertake to date is that we have made sure we are getting an increased regional focus. Indeed, we have received some good feedback on that.

The member for Ningaloo raised a number of concerns about Carnarvon. They are not really related to the contents of this Bill. There will be no change to the appeal system under these Bills. This Government inherited the provisions that the previous Government put in place in 2000, although they did not come into effect until January 2001. Therefore, the appeals made since then have fallen into the system that the previous Government put in place in 2000.

I take it that what the member defined as a property right is not affected by this legislation. We still believe that local allocation committees are incredibly important, as are local input and management. This legislation does not change that.

Mr R.N. Sweetman: The allocation committee is one of the groups in the chain of appeals to which an aggrieved person can appeal.

Dr J.M. EDWARDS: Yes. I think the member also said that it is now recognised that there is increased value in water licences. We agree with that. As water becomes a scarcer commodity, people will appreciate the resource much more. We are not trying to take back water from anyone. Nothing in this legislation does that. One of the major difficulties we face at the moment is that, aside from this year, the previous two years were pretty much drought years. Therefore, year to year there are variations in the water that is available.

I refer to the member's comments about use it or lose it. We have some concerns about that. On the one hand, we do not want people to be effectively water banking large volumes. We want to make sure that people are being sensible in their use of water. Recently I dealt with someone in the member for Warren-Blackwood's electorate, I think, who had an allocation, but for various reasons that person was not able to start the work to use the allocation. We would be very reasonable about that, because there was a perfectly good reason to hold on to the allocation until it could be put into effect.

We are also watching very closely and are involved in the national water initiatives. Officers from my departments and from the Department of the Premier and Cabinet are liaising at a high level to make sure that Western Australia's set of issues is taken into account when the national water initiatives are looked at, and to make sure that the support this State gives is conditional on its regional needs being recognised.

The member for Murray-Wellington made a number of interesting comments. One comment he made is that big is not particularly beautiful. I have to agree with that. However, neither of the agencies about which I am talking tonight is particularly big. The Water and Rivers Commission has about 400 staff, and the Department of Environmental Protection about 260.

Mr P.D. Omodei: Is that all?

Dr J.M. EDWARDS: Yes. They are small agencies.

Mr P.D. Omodei: Just enough to sink a ship; that is all.

Dr Judy Edwards; Mr Bernie Masters; Acting Speaker; Mr Jeremy Edwards; Mr Paul Omodei; Mr Rod Sweetman; Mr John Bradshaw; Mr Brendon Grylls; Mr Max Trenorden; Mr Terry Waldron; Mr Colin Barnett

Dr J.M. EDWARDS: They feel bigger, do they?

Mr P.D. Omodei: How many more do you want?

Dr J.M. EDWARDS: There is no intention to lose any staff. With our recent licensing changes, more staff have been put into the regions. Indeed, one of the other changes we have been able to make, by looking at the corporate services and sharing them better between the two agencies, is to transfer \$900 000 from corporate services into the water resources area. Already some benefits have flowed from having the two entities work more closely together. I believe it is also reasonable to point out that there has been some duplication, which we have brought together. There has been overlap in the areas of marine environments and wetlands and the science that underpins some of the decisions that have been made. From this, we want better decision making and better outcomes.

The member for Murray-Wellington raised the emerging issue of acid sulfate soils. I want to congratulate the staff in the Water and Rivers Commission on the work they have done on that issue over the past couple of years. Indeed, I believe there was a seminar today in the Mandurah area about the nature of the problem and what it means. This is an area in which the Water and Rivers Commission staff have worked very well with the Department of Environmental Protection staff, and they have now moved to engage planning staff. The Environmental Protection Authority needs to be acutely aware of this issue when it is doing assessments. It is a demonstration of an issue which does not know boundaries between departments but which needs to be considered by all people who are likely to need to know about it in decision making.

A number of other comments were made by other speakers. However, they were not particularly relevant to the Bill. I reassure members, though, that there is no intention to cut staff in regional offices. Indeed, as I have pointed out, we want to increase staff in Kalgoorlie and Karratha, and have them working much more closely with proponents and industry in the area. We have increased the number of full-time equivalents in the licensing area, and those FTEs have been sent into the regions. As I travel around the State, I am pleased with the work I see going on in the regions. In the Kununurra office, there is a very energetic group of people, and Department of Environmental Protection and Water and Rivers Commission people are working closely together. I have seen the same thing in Albany and Bunbury, to name just two other places.

One of the problems we have had - I was amused when industry recently complained to me about this - is that when we have sent Department of Environmental Protection staff, in particular, into the regions, they have stayed there, got trained up, got to know the region very well and have then been poached by industry, with offers of sometimes double the amount of pay. Therefore, we are seeking to locate more staff in regional offices. As we do that, we will have the capacity to raise the levels and keep the staff there for a longer time.

A number of subsequent speakers raised concerns that I have put under the general heading of fear of regulation. I want to again reiterate that the laws that regulate water will not change; they will all stay the same. The environmental protection laws, which perhaps people are worried will come across into the water area, are not touched by this legislation; they will remain the same. However, we want people to work together better and to get better outcomes for us all.

The member for Avon raised a number of issues, including an issue about the Department of Conservation and Land Management and the Avon Valley National Park. I will follow that up. I believe I have covered the issues raised by the member for Wagin and the Leader of the Opposition.

This has been a very interesting debate. A couple of unanswered questions from the member for Vasse remain. I will get that information overnight and provide him with it. This has been a worthwhile discussion. It is unusual to have the Parliament engage in such a broad-ranging discussion on water issues. I hope we have more of those in the future and I look forward to hearing other comments as we go through the other stages of this Bill.

Question put and a division taken with the following result -

Ayes (24)

Mr P.W. Andrews	Mrs D.J. Guise	Mr J.A. McGinty	Mr J.R. Quigley
Mr J.J.M. Bowler	Mr S.R. Hill	Mr M. McGowan	Ms J.A. Radisich
Mr C.M. Brown	Mr J.N. Hyde	Ms S.M. McHale	Mr E.S. Ripper
Mr A.J. Dean	Mr J.C. Kobelke	Mrs C.A. Martin	Mr P.B. Watson
Mr J.B. D'Orazio	Mr R.C. Kucera	Mr M.P. Murray	Mr M.P. Whitely
Dr J.M. Edwards	Ms A.J. MacTiernan	Mr A.P. O'Gorman	Ms M.M. Quirk (<i>Teller</i>)

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Dr Judy Edwards; Mr Bernie Masters; Acting Speaker; Mr Jeremy Edwards; Mr Paul Omodei; Mr Rod Sweetman; Mr John Bradshaw; Mr Brendon Grylls; Mr Max Trenorden; Mr Terry Waldron; Mr Colin Barnett

Noes (17)

Mr R.A. Ainsworth	Mr J.P.D. Edwards	Mr B.K. Masters	Dr J.M. Woollard
Mr C.J. Barnett	Mr B.J. Grylls	Mr P.D. Omodei	Mr J.L. Bradshaw (<i>Teller</i>)
Mr M.J. Birney	Ms K. Hodson-Thomas	Mr R.N. Sweetman	
Mr M.F. Board	Mr R.F. Johnson	Mr M.W. Trenorden	
Dr E. Constable	Mr W.J. McNee	Mr T.K. Waldron	

Pairs

Dr G.I. Gallop	Mrs C.L. Edwardes
Mr A.J. Carpenter	Mr A.D. Marshall
Mrs M.H. Roberts	Mr D.F. Barron-Sullivan

Question thus passed.

Bill (Machinery of Government (Water Resources) Amendment Bill 2003) read a second time.