

**ADDRESS-IN-REPLY**

*Motion*

Resumed from 2 May.

**HON MARK NEVILL** (Mining and Pastoral) [11.11 am]: It is an unexpected privilege to be making a valedictory speech on this occasion. There is always doubt as to what one may or may not include in such a speech. However, Hon Murray Nixon gave me a clue when he talked about unfinished business. I shall talk about the Brennan car drugs racket, which I have been pursuing since 1993 or 1994 and about which I still do not have answers.

Hon Derrick Tomlinson: The police haven't.

Hon MARK NEVILL: No, and a few of them should have been locked up and would have finished their terms by now.

Another matter is the report of the inquiry into the sale of the Roebuck Plains property that has still not seen the light of day. Lastly, I shall make some comments about the Aboriginal affairs policy, the absolute crisis that is occurring now in remote communities and how the policies of the past 30 years must be changed with a fundamental rethink in that area. I shall comment on those areas and then thank a few people in a traditional wind-up.

I want the members of this House to ensure that the Brennan car drugs racket, which involved senior police and which I have been pursuing for eight years now, is investigated by the proposed royal commission into police corruption. I have read articles in the newspaper about police matters that may be investigated; however, they appear to be more about police incompetence than police corruption. The Zappelli case in Geraldton reeks more of police incompetence than of police corruption. The focus in the proposed royal commission should be on police corruption, and the Brennan car drugs racket is essential to that commission. It is important to investigate police corruption, otherwise the bikies, the ponytail brigade and the triads will continue to run crime in Western Australia and with, as in the recent past, the connivance of some police.

In 1993 Richard Brennan entered into an arrangement to purchase cars and sell them through Lord Street Motors operated by two characters called Neil Hunter and Nick Duggan. These cars turned out to be stolen and were sold with police involvement. The stolen cars were shipped to the eastern States with heroin concealed in the doors on one journey, picked up by police in Sydney and amphetamines concealed in the doors on the return journey. If it was an undercover police operation - I believe that is the way in which they have explained it to judges in courts - why did they have to use stolen cars? I am certain it was not a police undercover operation but that they were heavily involved in it. Hunter and Duggan, interestingly enough, were involved with the police in a stolen car racket in Brisbane, were moved to Perth by the Queensland police at the time of the Fitzgerald royal commission and have set up shop here. In 1994 I raised the matter in Parliament and asked about 150 questions. I again asked those questions on about six or seven subsequent occasions, the answers to which were that the matter was under police investigation. In 1995 Richard Brennan took the matter to the then Ombudsman Robert Eadie. Since then, the police have been asked a number of questions again and have refused to answer them because they said the matter was the subject of an inquiry by the Ombudsman. The Ombudsman has had this matter for six or seven years. If I were to continue to be a member of this House, I would move to have all those documents from the Ombudsman's office tabled in this House, and for the Deputy Ombudsman, Peter Fisk - who has had a hand in this matter from day one - and the current Ombudsman, Murray Allen, to show cause why they should not be removed from office for not pursuing this matter with more diligence than they have. I discovered last year that the Ombudsman had no interest in just under half of the questions I asked that the police had said they could not answer because the matter was under investigation by him. The police, therefore, could have answered just under half of those questions without interfering in the work of the Ombudsman. However, they used that as an excuse not to answer the questions.

Early in the matter - I believe in 1994 - I asked the Commissioner of Police and the Minister for Police if they could ensure that the questions were answered immediately so that when the inquiries were finished, they would be in a position to provide Parliament with the answers. One of the answers I received last year was that Detective Walters is no longer a member of the Police Force and they could not, therefore, answer the question; that is typical evasion. By saying that the individual questions were under investigation by the Ombudsman, the police and the minister clearly misled Parliament. I am not suggesting the minister would have known of that deception, but he was responsible for the matter. This is a serious matter and I do not know whether it will ever be pursued, but it is important for the proposed royal commission to deal with the issue.

Last year I inquired from the Ombudsman when the report would be made available and I was told a court action was due to take place in November. In that action Hunter was convicted of fraudulently taking and selling

Brennan's car, which was a Rolls Royce. Interestingly, restitution was not required to be paid and he was not imprisoned, but a \$6 000 fine was imposed. During the proceedings, former Detective Sergeant Ian Brandis talked to the judge in his chambers and I suspect he told the judge that because Hunter was a police informer, he would be severely dealt with in jail if he were sent there. I believe that is one of the reasons these people have not been dealt with properly, as the judiciary has a very different view of their activities. It is almost six months since that court case concluded and Mr Brennan still has not received a report from the Ombudsman, which I was told he would receive shortly after the case was dealt with.

The role of former senior police officer Ian Brandis in this activity has never been explained and a number of other police - Ayton, Robbins, Mackaay, Porter and others - have ensured that questions have never been frankly answered making, in my view, a farce of this Parliament. I ask members to pursue this issue so that it is examined by the royal commission to establish whether the complaint has any substance. If it did not, we would have had answers a long time ago.

The second matter I will address relates to the Roebuck Plains sale that I raised in the House last year. An inquiry was set up by the board of the Indigenous Land Corporation. The terms of reference were set down by the board, which did not want the matter aired, and it also selected the inquirer. Of course, the inquirer will report to the board, not to the minister or the Parliament. There should have been a ministerial inquiry. The inquiry did not have the power to investigate a range of matters; that is, what the vendors were doing, whom they were paying, where the money went and why they paid \$5 million for a one-year lease and then \$1.4 million to purchase the property the following year. The ILC then purchased it for \$8.5 million and entered into an appalling contract that was supposedly vetted by three solicitors. It then cost the corporation another \$1 million to buy itself out of that contract.

It is typical of Aboriginal affairs bureaucracy that this matter will be swept under the carpet and the messenger pilloried. The Chairman of the ILC, Sharon Firebrace, called for an inquiry into this matter when she was first elected. Since then she has been persona non grata. The terms of reference suggest that she was the target of the inquiry, not establishing whether too much money was paid by the ILC. There was no independent count of the cattle. I have been told on very good authority that there were only 12 000 head of cattle on the property, but the ILC said there were 18 000 head. Of course, that difference would inflate the price of the property. The Andrew Rodgers report still has not seen the light of day, and I do not hold out much hope for it. Big areas of the deal were not investigated and, if it is like anything else associated with Aboriginal affairs governance, the inquiry will be a whitewash, once again reflecting the incompetence that has been allowed to flourish in the bureaucracy. The people who suffer most as a result of this situation are the Aborigines; it will not affect the egos of those in politics and the statutory corporations that run the show.

It is interesting that no criticism has been levelled at Andrew Rodgers by the Labor Party - he is the husband of a New South Wales Liberal Senator and a good friend of Senator Herron. The ALP members of the parliamentary inquiring committee - Mr Daryl Melham and Hon Warren Snowdon - were more interested in establishing who leaked the audit report than determining whether a problem existed. That is typical: These people go after the messenger rather than tackle the problem.

I will make some general comments about Aboriginal affairs, because I appreciate that it is hazardous trying to talk about Aboriginal problems in 20 or 30 minutes. I make these comments in the context of having lived and worked with Aboriginal people for over 40 years - I first went to Wyndham in 1961. I have two brothers who have been married to Aboriginal women and I have a number of Aboriginal nephews and nieces, and I am very proud of all of them. Prior to my involvement in Aboriginal affairs, we had the protection era. I was involved in the issue for 10 years during the assimilation/integration era, which ended in the late 1960s with the referendum and the changes relating to payments to pastoral workers. The reform process was not initiated by the Whitlam Government - the McMahon Government started the process of self-determination and self-empowerment. It has had a few successes, but on the whole it has been a disaster and has not delivered what people hoped it would deliver. I have had real doubts about the effectiveness of the current approach for 20 years. However, it is difficult to put up an argument against it when there is a tidal surge of public opinion supporting the approach taken by political parties and different cultural groups. It is clear now, after 30 years, that by any objective criteria the situation in Aboriginal communities is dramatically worse. This approach has been a disastrous failure. People are suffering absolute misery in many outback slums. Things are working well in only one area in this State; that is, in the central desert, which is administered by the Ngaanyatjarra Council. The people there have some control. However, most Aboriginal people have no control over their situation - self-determination is a myth. Those in the central desert are light years ahead of everyone else.

I attracted 15 to 20 per cent of the Aboriginal vote at the last state election, so I did make some inroads. People are challenging the orthodoxy of the times. The ALP hold on much of that vote is brittle, although it was solid

five or 10 years ago. The ALP and the Liberal Party - I do not see many differences in their Aboriginal policies - should take note because a change is happening and it is gathering steam.

I have said in this House previously that it is wrenching for me to go back to some of these Aboriginal communities - particularly those south of Halls Creek - and to visit the cemeteries. Half of the youngsters I taught in the mid 1960s, who should be turning about 40 now, are dead. Most, if not all, have died as a result of violent crime in the past 20 years. It is horrific. Little is said, but these communities suffer staggering levels of homicide and all forms of sexual assault - incest, child rape and so on. These people have lost control of their lives and living conditions. Child abuse and drug abuse are rampant. It is a very bleak picture. These people live in misery, committing self-mutilation and violent acts, abusing alcohol and so on. This is what we have achieved as a result of this failed 1970s paradigm.

Hon Greg Smith: It was the Nugget Coombs policy.

Hon MARK NEVILL: He was well-intentioned, but he got part of it wrong. We are still living with his 1970s view of affairs, and we must make fundamental changes. The whole idea of the corporatisation of Aboriginal affairs has failed. Most of those people, and most white people, do not understand the complexities of running an incorporated body. It is quite complex and onerous. Many of these people are directors of corporations. They are dealing with millions of dollars and have no understanding of financial statements. They are at the mercy of crooks, who prey on that area of our society and are never prosecuted. An amount of \$2 million disappeared from the Warmun community while Kevin Curnow was there.

Hon Greg Smith: Now he is controlling the United Nations.

Hon MARK NEVILL: He is in Dili now helping the United Nations. Ben Ruse wrote an article for *The West Australian* a couple of weeks ago stating that the Western Australian police would not confirm whether they were investigating the matter. That clearly means that they are not. I have never been able to interest the police in investigating any matter relating to fraud in Aboriginal organisations. Vic Kandiah was the administrator of the Balgo community, and \$460 000 of funds from the Aboriginal and Torres Strait Islander Commission went into a private company. All the community machinery bought by taxpayers was being hired out and the funds were going to a private company, Jarlu Pty Ltd. The royalties from some of the mining companies working on the lands were not going to the community; they were going to the private company. Do members think I can get the police to investigate that? It was \$500 000-plus. No-one ever sees the accounts. People cannot make a freedom of information application and they cannot get access to the accounts of any Aboriginal communities or corporations, whether they are Aboriginal medical services or land councils. There is absolutely no accountability. People can go in there and rape, steal and pillage and they know they will not be charged. ATSIC put together a case on the Balangarri situation and gave it to the Federal Police. I have been told that the Federal Police were not interested in it because it was not above \$5 million.

Hon Greg Smith: He had that import-export company.

Hon MARK NEVILL: He was probably importing and exporting money. People such as Noel Pearson are challenging what we are doing in Aboriginal affairs, and I think that is encouraging. The separate indigenous service delivery in many areas is of doubtful benefit, considering the buckets of money involved. There are the odd successes, but in most cases they are not having any effect. They are supposed to be culturally sensitive and self-determined, but they are not run by Aboriginal people; they are run by white people. They are western-oriented corporations and structures; there is no self-management in them. That is a myth. There has been an absolute failure to police Aboriginal communities. They are a no-go area for most police, who just poke their head in the community once a month, drive around and disappear. Towns in the wheatbelt and other small towns with minuscule populations have police stations; yet Aboriginal communities with 1 000 people and areas with four or five communities with 1 000 people have massive levels of crime, but there is no police station. We must do better than that. Back-to-back patrols were promised at Balgo, but as soon as we take our eyes off them, they stop. Last year I was told that there had been back-to-back patrols continuously and that the only time they were not conducted was when the roads had been out. However, the road had not been out. The people in Perth do not know. It is quite frustrating.

Hon Greg Smith interjected.

Hon MARK NEVILL: I do not know about that, but the people there have done pretty well over the past few years. Some competent staff left and the place fell in a hole within two or three weeks, but that is another hour-long speech. Since the 1970s all controls have been removed. There has been a laissez-faire policy in which they have the freedom to do what they want. They were not allowed that sort of freedom in their own culture; it was very controlled. There was structure and control - even some repression - within the missions and stations. Looked at objectively, those situations were probably more appropriate than the goldfish-bowl, government-funded communities that have been built in the desert areas. They are not culturally appropriate at all. People

are mixing with different groups. Previously people were located close to their homelands. When I was at Balgo for two years in the 1960s, people used to eat vegetables, meat and bread. It was a fairly basic diet, but every weekend they would be out hunting. A very big portion of their diet was indigenous food, which was obviously good for them because they survived very well on it. They get none of that now. People say that the missions might not have fed them very well, but it was probably a good thing because their diet was supplemented by bush tucker. I think about the muscled and fit Aborigines of the 1960s, but now there are many differences; they are just unrecognisable. There has been a complete breakdown of social controls in most of those communities. Again, the central desert communities are an exception. Aboriginal people's views on issues, whether it be the governance of Aboriginal corporations or even health issues, are not well understood in the general community. We think they understand a lot more than they do about issues like diseases and bacteria. Those concepts have not been absorbed into the culture of many of them; in fact, they do not understand a lot of the mechanisms. To improve, they must understand those mechanisms and they must be absorbed into their culture. There is a complete lack of involvement in the Aboriginal communities now. Many years ago in many of the Kimberley and Northern Territory missions Aboriginal people used to build houses. However, they did not build them quickly enough; they built only three a year. The Aboriginal Affairs Department sent contractors into a couple of areas to build 10 houses a year, because it considered that three was not enough. Places like Millingimbie had Aboriginal electricians, painters and carpenters, who took a ringside seat and watched all this contract work take place in their communities. ATSIC allows everything to be done by contractors. Everything comes in by truck and contractors do the work. The people in Balgo built their own houses in the 1960s, and none of those houses has been destroyed. The houses that came in on the back of trucks have been replaced three, four or five times. The whole system is set up for outside contractors. These people cannot bid for those contracts. They sit there and do nothing and gradually lose their pride and self-esteem. At least on the stations and missions they were doing worthwhile work. It gave them a sense of pride. Doing nothing does not give anyone a sense of pride, particularly Aboriginal men whose role has been greatly reduced since the 1960s and 1970s. Native title has caused a lot of division particularly in the Kimberley, but not in the central desert. The land council there works extremely well. Just about every tribal group in the Kimberley is absolutely divided. They have no control over what is happening with native title on their lands. In the Rubibi case in Broome most of the people around Broome saw the genealogies when they were tabled in court. I mentioned that Pat Dodson and Peter Yu were both attached to the Yawuru genealogy. All the senior Yawuru people in Broome tell me that they are not part of it. As I said last year, Pat Dodson's grandfather, Paddie Dargwin, was from Marble Bar and is a part Singhalese-Aboriginal person. The people in the Kimberley are not really involved. The involvement and empowerment is a myth; it is just not happening, even though it is happening in the central desert.

Aside from native title, land rights have been in place in the Northern Territory for 25 years but they have not really resulted in any overall improvement in social welfare. I do not believe, and I never have believed, that native title will deliver the social benefits that people expect. I am not opposed to native title but I always thought, when I read the original Mabo judgment, that native title would be basic usufructuary rights. Since the election the Australian Labor Party has spelt out what it did not say. It has said that it opposes the granting of mineral and petroleum rights under native title in the Miriwung-Gajerrong High Court appeal. The ALP also argued, quite strangely to me, that enclosed pastoral leases should extinguish native title. It has run the same line as the previous Government. According to the article in the newspaper, the ALP is taking a softer stance but at the end of the day there is not much difference between the two approaches. The previous Government's position was correct, but I lament the lack of openness about parties' policies.

Politicians and political parties make themselves as small a target as possible and say nothing these days. I have some 200 press releases on my web site. I never criticise anything unless I have an alternative; if I have no alternative, I will not say anything. I notice that Hon Tom Stephens was criticising the fact that government hospitals and schools pay 32c a unit for electricity, whereas commercial consumers pay 12c a unit. I would not criticise that - it has been around for 30 years - unless I was in a position, and was prepared, to do something about it. To me it is a free kick. Parties should state their policy and, if they follow that policy, they must be prepared to fund it. There are now bidding sessions. Whoever won Government this time would not have been able to fund a quarter of their promises. It was a leapfrog process, involving \$1.2 billion worth of promises. All we politicians do is sour the public's opinion of us.

I still do not really understand how reconciliation will produce benefits. It is more like a cash ledger with everyone having equal amounts. I will not go into the details, but I believe it should be something different. At present it is probably more suited to urban Aboriginal people. Most of the people in the Kimberley would not have much of a view about it. I have read the various drafts of the reconciliation document and the strategy to implement it, and it is more of the same. I do not see that it is taking us forward. It is not a bad initiative and it is probably not doing any harm, but I do not think it will tackle those problems, which have now reached a crisis. We are still pursuing remedies that were put together in the 1970s. As I have said, there is a real need for a

fundamental rethink of Aboriginal affairs. The question must be stripped of as much political ideology as possible. Most of the communities' population will double in the next 10 to 15 years, so the problem will increase, and we are not making much progress.

Oddly enough, quite a few alternatives have emerged since I lost the last election. I cannot cover all of them, but one alternative which attracts me is finishing some work in Balgo, which I have been doing there for the past four or five years, trying to set up a structure similar to the one in the central desert. The other day I was driving through Halls Creek when I stopped to fuel up. Three young people called out to me by name. I was wearing my incognito driving outfit and I did not think anyone would recognise me. However, they called out to me and I thought I was about to get bitten for \$20. They said hello and asked me when Chris Marshall and I were going back to help them with the Kutjungka Association, which is what we were trying to set up. I was absolutely dumbfounded, because we have not been back there since we put forward the draft constitution last May. It was approved, but Chris Marshall, who had been doing the work, became tied up with the Ngaanyatjarra Council because its chief executive officer had left. He finished that work in December and could not go back to Halls Creek. I was busy trying to get re-elected. It is difficult to do anything after about November because the law completely distracts people and there is the wet season. I am thinking of going back there for perhaps six months to get things going. I shall be able to put a few of my theories into practice, which will be very interesting. Members can send me little "I told you so" letters if things do not improve. That is one option I am looking forward to doing if I can. It will mean I shall be away from home for quite a bit, which I do not think my wife will take too kindly to. It is certainly not a project that will benefit me financially but it is a challenging option.

I have enjoyed my committee work in this Parliament, initially with the Standing Committee on Government Agencies in the 1980s when we did a lot of very useful work, and in recent years with the Standing Committee on Estimates and Financial Operations.

Hon Bob Thomas: The greatest committee.

Hon MARK NEVILL: It has done some useful work, but committees have their ups and downs.

Hon J.A. Cowdell: Like the prisons report.

Hon MARK NEVILL: Committees rely heavily on research officers, some of whom are excellent and some of whom, thankfully, have left, and were not so excellent. Garry Newcombe was an excellent research officer in the 1980s. Paul Grant who came on board last year, pulled the mess of our prisons report together and prepared a few reports on health, is an excellent officer. There are many other good staff there. I thank people such as Jan Paniperis and Lisa Hanna - it gets a little dangerous when one starts mentioning names. I also thank my electorate officers over the years and my current electorate officers, Kelly Ferguson and Rosemary Braybrook. I also acknowledge the collaboration, support and friendship over the years of Julian Grill and Graeme Campbell, and their wives, Michelle Campbell and Lesley Grill. They have been a great support. We even tolerated people like Hon John Cowdell, when he was part of the axis. We have stuck together over the years. We had a pretty successful period, although some people are probably glad to see the back of us all. It has been a very enjoyable time. When we were in full flight the opposition had absolutely no hope. We had the mining and pastoral area tied up by the bootlaces.

I realised before the election it would be very difficult to win as an Independent candidate for the Mining and Pastoral Region. I thank the team of people who ran with me including Janenell Sibosado, whose mother was very ill during the campaign, and passed away last week. Janenell was quite distracted, but she did a really good job. The experience will be good for her as a young indigenous woman who will make a contribution in that area as the years go by. She is only 23 or 24 years of age, so it was a great experience for her. Dr Randy Spargo, who has been a medical practitioner in the Kimberley for 30-odd years, and has been at Jigalong treating the western desert communities for the past three or four years, was also a candidate on my ticket. Unfortunately, he could not leave Jigalong until a week before the election because he could not get a replacement doctor. That meant that we probably did not get the full benefit of his many contacts and his ability to campaign. However, I would rather he stayed at Jigalong where he was really needed as a doctor than leave that area to campaign.

I have enjoyed my time in Parliament. I do not have any regrets about what I have said and what I have done. I thank my wife Jenni for her support and my daughters Gemma, Kate and Lyndall, who were very young when I entered Parliament. They have grown up to be confident and independent young women. They have all done well, and that is more to my wife's credit than mine. I thank you all for your support and company.

[Applause.]

**HON HELEN HODGSON** (North Metropolitan) [11.52 am]: I acknowledge the traditional owners of this place, and I am pleased that was the first thing that happened in this Chamber when we opened this session of

Parliament on Tuesday. I support the motion. I will be interested to see whether it is transmitted to the Governor as it stands or whether there are amendments to that motion. However, I do not intend to move any amendments at this time. It is a very emotional time for me. Members will know that I have a reputation for showing my emotions, so I have a box of tissues - I understand that Hon Ken Travers was intending to wear his raincoat into the Chamber - and I hope members will forgive me. It is a measure of the commitment I have for this place that I am still able to be emotional about the issues I have addressed here. If I did not have passion for the causes I have pursued, I would not have been able to pursue them with the dedication that I have during the past four years.

I still remember the first day in the Chamber when I had the honour of being the first person of the incoming batch of MLCs to make an inaugural speech. Some members will remember that I had a further impact later on that day when, in a very nervous voice, I wanted to refer a Bill to a committee. It was my first day in the Chamber, and I moved to refer the Bank Mergers Bill to a committee for a snap report. That report came back with a recommendation that the Bill be amended, which was passed, with a commitment from the minister that it would be done properly next time. In fact, the next merger was done completely differently. That set the tone for the way the Australian Democrats worked in this place; that is, we looked at issues on their merits and without the baggage that came from an agenda that had been passed through the party processes. We had policies, but we were able to come into this place and to look at the issues objectively. We were able to say that although these things had been done in a certain way for many years, that was not a good reason to continue. We took the role of review of legislation seriously; so seriously, that I remember on one occasion being accused of needing to have our thumb prints on everything that came through this place.

One of the thumb prints that I am particularly proud of is what we have come to refer to as the Auditor General's clause. Some people will remember in my third week in this place, when I suggested that the contract that dealt with the Iron and Steel (Mid West) Agreement Bill should be referred to the Auditor General to assess whether it was in order. That was nearly passed. Unfortunately, as a result of the bells not being heard in part of Parliament House, we lost on the division. As a measure of how seriously that became taken as we continued to push that part of our policy platform, it was not only accepted in later Bills, such as that dealing with the Oakajee agreement, but also was included by the Government in legislation dealing with some subsequent privatisations, such as the AlintaGas agreement. That shows that the Australian Democrats' initiatives in this place on accountability will have a lasting impact on the way things are done in the Parliament.

The Australian Democrats wanted a new way of doing things. We sought a system of cooperation in this Chamber, and a move away from the adversarial system. I wish that particular issue had been progressed further over the last term. One of the things that I had hoped would work, and I trust that it will work better under the new Government and under the new Leader of the House, is the business management committee. With only two members of the Australian Democrats handling everything that came through this Chamber, we needed that sort of mechanism to keep up with the workload. If there had been a genuine spirit of cooperation from everybody who was involved in that business management committee process, the business of this place would have run far more smoothly. As it was, we stumbled through. There were times when we were sat down and told what we were doing; other times we were told there was no time for business management meetings; and when we were given a list of things that we were expected to deal with. It is my hope that as the Chamber develops and evolves, and it has more representatives from different groupings and parties, it will become more important to ensure these processes work.

We support the increased use of committees. This is an appropriate time to acknowledge the committee staff, most of whom I have worked with at some stage over the past four years. It was partly as a result of the very review of the committee structure that was initiated shortly after we arrived in this place that the system of substituting and participating members was introduced. That has made the whole committee system flow more smoothly. For example, I recall last year when the superannuation Bills were referred to the Legislation Committee that Hon Giz Watson and I reached an agreement that, because my background is in finance and superannuation is something I had dealt with, it made more sense for me to work on that issue in committee, so we arranged a substitution. It is those sorts of practicalities of working together that we had hoped would become a part of culture of this place.

There have also been times when we initiated the only real questioning on matters that came into this Chamber. I remember the last matter that we debated last year was the criminal property confiscation legislation. It was a massive piece of legislation that had come under extensive criticism from the legal profession, yet the Opposition was essentially silent during its progress through the Committee. It is all right to approve in principle something that will deter drug dealers, such as confiscating their property and their assets. However, that does not preclude the necessity to scrutinise the detail of a Bill to ensure that it will achieve what the agreement believes it will achieve. Only when the minor parties have challenged the minister responsible for the portfolio has that detailed examination occurred. At the same time we have always tried to behave with dignity during

debate in this Chamber. I do not think the President has ever had cause to mention my name during debate in this place.

I refer now to some of the specific issues I have had to deal with over the past four years. When I started writing them down, the common thread through them all seemed to be social justice. I refer first to Aboriginal issues, which Hon Mark Nevill has just addressed. My approach to some issues differs fundamentally from that of Hon Mark Nevill. I believe in empowerment rather than paternalism. For that reason I have taken a diametrically opposed view to his suggested solutions to some problems. However, at the same time I acknowledge the problems that exist.

I made a commitment in this place to Aboriginal people when I first came here that I would work towards reconciliation and the protection of native title. I believe I have done that over the past four years. That commitment will continue because I have accepted a position that will allow me to research indigenous economic empowerment. I agree with Hon Mark Nevill about the shortage of indigenous people with business skills who are working in their communities. I would like to see those people empowered. I do not believe in the paternalistic approach of telling people what they are doing wrong. We must empower people to work in their community within their culture.

Hon Mark Nevill: I agree with you.

Hon HELEN HODGSON: I acknowledge that agreement. I have learnt about the importance of empowerment through the reconciliation process. Although Hon Mark Nevill said he has not seen much evidence of anything that will produce an outcome, the whole thread of empowerment is important in the reconciliation process. An apology is about acknowledging the past to empower people to move forward. That psychological component must be dealt with before we can progress. Over the past four years I have given much time to the reconciliation movement. I hope to continue to work in that area.

It is probably an appropriate time for me to say that I am extremely sad that this Chamber has never apologised to the stolen generations. The Assembly passed a motion on 27 May 1997 when we were making our inaugural speeches in this place. On 26 May 1998 we began a debate on the issue, but the debate was adjourned without a vote being taken. I tried again last year to compose a motion that would gain sufficient support for it to be voted on and passed. That effort was behind the scenes and the motion was not moved; it did not get anywhere. It is time this Chamber followed the lead of the Assembly and all the other States on this matter.

Another issue on which I have spent a lot of time is sexuality law reform. I acknowledge and thank the people in the community who have assisted me, and appreciate the work done by Hon Giz Watson and other people in this place.

I was pleased that one of the first things the new Government did was to establish a committee to review and progress sexuality reform. I trust that it will produce results quickly. From my experience of working with members of the Australian Labor Party on this matter, it is obvious that, although a large number of ALP members believe in sexuality reform and equality, a handful of members have continually blocked my efforts to progress that reform. Now that it is part of the Government's formal agenda I trust that that minority will not be permitted to block its progress any further and that it will be expedited so that all people in this State, regardless of their sexuality, have equality.

A third matter I raised in my inaugural speech was women and their place in this Chamber and society. I am very proud to have been in this Chamber during the abortion debate, and I acknowledge the efforts of Hon Cheryl Davenport in getting the abortion legislation passed. It is another matter of justice, of equality and fairness and of women being empowered to make decisions about their own lives. For that reason, choice is fundamental to women's rights. I am glad that I was in this place at that historic time.

Another issue on which I worked was the ministerial committee on domestic violence, comprising Hon Barbara Scott as chairperson, Hon Giz Watson and Hon Cheryl Davenport. This is another issue with some symmetry attached to it. It was one of the first things I dealt with when I was elected. The debate occurred during the interim between the election and when I was sworn in. I therefore observed much of the debate from the President's Gallery. It was the first version of the new restraining orders legislation. Commitments to review it were fulfilled, following which the then Attorney General established a cross-party committee of women to examine the issues raised in the review. Again, although I learnt much and I am pleased with some of the initiatives that have developed over the past four years, such as the domestic violence court, there is a twist in and sadness surrounding the work we did on the committee. It seemed that no matter how much work we did, we could not get things signed off to come into this place, into the legislation and into the regulations. As soon as we put forward a proposal, somebody somewhere would suggest it be done a different way or that we consider something else. For a while it seemed almost as though it was becoming "busy work" - a way of keeping us occupied and not progressing the issues by suggesting that the committee could examine alternative

ideas. I am very sad that most recommendations of the committee did not make it into either the legislation or the regulations. I hope the new Government will progress rapidly some of the work that was done to deal with the anomalies identified in the operation of the restraining orders legislation.

The fourth issue that stands out is prison reform, the most difficult issue I have dealt with since becoming a member of this House. I do not believe, morally, in private prisons. However, I did not see how we could stop them. I again note the symmetry that seems to have occurred on this issue, inasmuch as yesterday the report of the Inspector of Custodial Services was tabled. The report justifies the steps taken to establish that inspectorate. I will not renew the debate about whether a private prison was necessary to appoint the inspectorate.

However, the fact is that it has taken a while but the inspectorate is now in place and reports are coming through. In today's *The West Australian* there is a photograph of the so-called Hannibal Lecter bed, the existence of which has been denied at various times. It is now there in the paper to be seen and is as a direct result of the coverage given to the report of the Inspector of Custodial Services on the special handling unit at Casuarina Prison. The establishment of that inspectorate is an achievement of my term of which I am very proud.

Another issue that has occupied a great deal of my time is the never-ending saga of workers compensation. Legislation bounced around this place a number of times, going backwards and forwards between Houses with amendments made, amendments withdrawn, revised proposals and amendments made on the run in the Chamber. Amendments made on the run had to be re-amended because we got them wrong due to technical faults. When I was sorting through the papers in my office, which was a very interesting task, there was a massive amount on workers compensation matters alone. However, we must never forget the people behind the statistics who are crippled with pain, who have serious psychological trauma because they cannot work due to massive injuries and whose lives have been affected, and in most cases severely lessened, by the legislation passed in this place by the previous Government. The new Government said this week that it would review the legislation and find the right balance between common law and the statutory scheme. I wish it luck. I believe the scheme needs a complete redesign. Although there are many pressure groups and lobby groups in the community, the legislation will be a continuing saga with no real clarification for a long time to come. In the meantime, real people are hurting and losing their homes because they are not working and cannot keep them. Real people are committing suicide because they cannot stand the pain any more. These are people about whom we are talking in this place and we must never forget them.

The final issue on my list, although I could go on with more, is the deregulation of the dairy industry. I listened yesterday to the comments about dairy deregulation by Hon Murray Nixon and Hon Murray Montgomery. I have worked not only with the milk distributors through the work of the Standing Committee on Public Administration, but also with the dairy farmers last year on the deregulation. It is tragic to see what has happened, particularly to farmers, since deregulation. A number of farmers have had to sell their properties and the farmers who are continuing to produce milk are not recovering their costs. Deregulation has decimated a large sector of the south west and that was reflected significantly in the vote there in the last election. One may say that we had to deregulate because of global and national markets and so on, but once again we must think about the people who are affected by this issue and put proper compensation measures into place. I am still waiting to hear from the minister as to how the funding will be allocated. In the meantime people are holding on by the skin of their teeth.

An announcement was made that the assets of the Commonwealth Dairy Industry Authority would be redistributed to the dairy industry. That is not the same as compensation to the individuals affected. That does not cover the individuals whose superannuation was effectively taken from them because the value of their assets dropped. In some cases they were the only assets they had, which they were expecting to sell or retire on; however, the value has gone out of them because quotas are now worth nothing. Once again, real people are being hurt by the actions of the Government and I am not at all surprised at the anger I felt in the dairy industry.

When I read my inaugural speech I found a nice little irony in that I addressed the issue of tax reform. The irony is that many people would say that tax reform had such a large effect on the election and resulted in my not returning to this place on 22 May. However, I stand by what I said at that time; that is, equity is an important principle of taxation, and a Government with compassion must take account of taxpayers' circumstances to devise a taxation system that is equitable. That is what the Australian Democrats tried to do and, I suppose, we could not do enough. We achieved what we could in the Senate, but the fact is that it is still not as equitable as we would like it to be. The consequences, therefore, have been resounding across the country and a number of people in this place are feeling those consequences now.

The other point I made on tax reform was the problem of state government funding and the constitutional issues of the separation of state and federal taxation. I believe the revised arrangements that came about as part of the goods and services tax will be to the benefit of the State because they will result in more revenue flowing through to the State. I know, because of the way the formula is calculated, that it will take longer for Western



Australia to benefit than some of the other States, but it will happen and ultimately that is what we need to see. Funding needs to come through to the State to pay for schools, hospitals and the Police Service. When I consider some of the measures taken in the past year, I note that one of the issues I have not mentioned is education. The fact that compulsory school fees were included in legislation passed by the last Government is an issue of funding. The funding must be provided so that there is no need for compulsory school fees. I still say that tax reform to increase the amount made available to the States is the right way to go. However, I believe that it was not done with sufficient equity and, because of that, people are angry and hurting, and have responded at the ballot box.

This is probably the appropriate time for me to give my thanks, first, to my husband Allan who is not able to be here today because he is working. Allan has supported me in the past four years and has been there when I have needed him. He will be very pleased to see me at home a little more on the weekends. I could not have gone through the past four years without his support. I thank the team in my electorate office. I was very fortunate to have two members of staff for the whole of my term, Natalie Gibson - who has other work now so was also unable to be here this morning - and Jeanne Vayler, who is in the public gallery. Without Natalie and Jeanne, I would not have been able to cope with the workload. Natalie, as a researcher, showed a great deal of skill and talent. She was always able to come up with what I needed when I needed it. She worked to deadlines and under pressure and was a very important part of what I did in this place. Jeanne basically kept us sane. Jeanne was very good at hugs and kisses. I do not underestimate in any way the contribution that she made to the smooth running of my office.

A number of people have acted as my mentor at different stages over the past four years. Former Senator Jack Evans played a very big part not only in my being elected in the first place but also as a sounding board over the past four years. He has always been available to talk to about any issue. Other people, too many to mention, were always there at the end of the phone if I needed an ear. Some of them were professional colleagues and some were members of the party. I acknowledge and thank them for their assistance.

I have made friends on both sides of the Chamber, and I thank those members for their friendship. I have worked closely with some members on committees, and I acknowledge Hon Kim Chance as Chairman of the Public Administration Committee. I hope I will continue to enjoy some of the friendships that I have made. At the very least, members will see me dropping in to visit the gym from time to time as I avail myself of my privileges as a former member - although, given that my new job is at Joondalup, I am not sure how often that will be.

The staff of the House make things run so smoothly. I hope that at times when I have been too demanding I have not caused any difficulties. However, the staff cope with that extremely well and everything operates smoothly. I thank them for their assistance over the past four years. I should make special mention of the Clerks, and you, Mr President, for chairing the Chamber so that proceedings always run relatively smoothly.

In my inaugural speech I referred to the evolution of this Chamber and the way in which its composition has changed since it was established. That evolution is continuing. We still have a multi-party Chamber and a balance-of-power Chamber. The Australian Democrats will no longer be part of that balance of power, but the overall representation is still there for minority groupings. I am sure that will continue even with the progress of electoral reform. I am also sure that we will continue to have a Chamber that represents a wide cross-section of the community in a number of ways.

We will not be in this place for the next term, but the Australian Democrats will be back. We will be represented in this Chamber again. Whether I will be a member is in the hands of the party members and the electorate. However, the Democrats are not giving up on this place and we will be back to continue to work for and represent the people of Western Australia.

[Applause.]

**HON GREG SMITH** (Mining and Pastoral) [12.24 pm]: I support the motion moved by Hon Ken Travers and thank His Excellency John Sanderson for his speech.

It is strange to be standing here making a valedictory speech four years after making a maiden speech. I am making this speech on the basis that I am finishing my current term, but this is not the end of my political career - I have every intention of being back in this Chamber one day as a member of the Liberal Party.

I take this opportunity to congratulate Hon Kim Chance and the other Labor members on their elevation to the Treasury bench. They have a hectic and interesting time ahead. It will be far different taking responsibility for what is happening in the State rather than sitting over here criticising. They will find it a challenge.

Hon Murray Nixon and I lost our seats at the last election due to what I suppose could be called a campaign not of bullying but of bluffing the conservative side of politics into not doing what was best for its electoral prospects with regard to preferences.

I cannot let this opportunity go by without mentioning the One Nation organisation. During the election campaign I met members of the One Nation party and its candidates. The Broome electorate had a meet-the-candidates day in the Broome Boulevard at which all the candidates set up a table and handed out literature and talked to people. The Labor Party table was manned by Carol Martin and some of her supporters, who looked as though they had driven up from the Giblett block. The Liberal Party table had a couple of middle class, white Australians - Lyn Page and one of her supporters. The One Nation table was manned by Wayne Boys, who runs the ice works in Broome, and his support crew, which comprised an Aboriginal woman, an Asian-Aboriginal woman and a Vietnamese woman. Theirs was the most multicultural group in attendance. The National Party table was manned by Peter McCumstie and someone else. It was a friendly affair. One of the great things about politics in Australia is that we can all stand together presenting different views and not fear violence or intimidation. We are all entitled to our opinions and to express them, and we do so without fear of being shot on the way to the polling booth or being intimidated, which occurs in other countries.

I was given a copy of the One Nation policy document. I read it and I could not find anything outrageous. I talked to the party members and found that they were normal people. Our conservative Liberal Party, the Labor Party, the Greens and so on must now be prepared to accept One Nation as a bona fide political party in this country. We cannot say that those who voted for One Nation candidates - 20 per cent of the electorate in some seats - are fools, racist or stupid. It is time to move on. Once the party is accepted as a legitimate political organisation, we might see its demise. I may be wrong, but I believe that pretending to be on the fringes and not part of the process works for One Nation.

The poll result in the Mining and Pastoral Region surprised many people. Those monitoring the poll had it worked out that, with Hon Mark Nevill's preferences, the second Liberal quota would be filled and we would have two members elected. My good friend Hon Simon O'Brien was at the tally room and witnessed the pushing of the button -

Hon Simon O'Brien: They pushed it on 328 occasions to get your preferences.

Hon GREG SMITH: The member rang and told me that Robin Chapple had been elected and that I had missed out. Given my surprise, I took it upon myself to find out how our Legislative Council voting system works. What surprised me in my initial inquiries, even leading up to the pushing of the button, as Hon Simon O'Brien described it, was that I could find no-one in Western Australia who knew how the counting process worked. I asked people like Jeremy Buxton, Peter Wells and David Black how it worked. No-one could explain in detail the counting process for proportional representation in the Legislative Council, how the result would be reached and what result would be reached. I found it incredible that four elections have been held using this system of counting and no-one who has been elected by that system knows how he or she was elected. A lot of people are under the impression that it is similar to the exhaustive preferential vote. Most people know how that system works in the lower House. The person with the fewest votes has his votes distributed to the remaining candidates. The ballot papers are distributed and once somebody achieves 50 per cent plus one, that person is elected.

When I started researching the method of counting votes for the Legislative Council, I went to the schedule to the Act. That is a mystery in itself. What makes it confusing is that two different issues are involved in the counting of votes - ballot papers and votes, and one is not the other. Ballot papers are a vehicle for votes and votes are what are achieved through the culmination of numerous ballot papers. It just depends on a ballot paper's value at a particular time.

Hon Bob Thomas: It starts off with five votes in your region.

Hon GREG SMITH: No. It starts off with five quotas, but every ballot paper starts off as one vote. In the first instance, it is a first-preference vote and is counted as one vote. As the votes are used within those ballot papers, the ballot papers are worth less, but the ballot papers continue to move through the process. I researched the single transferable vote, which is the system that is used. I read some literature produced by Graham Hawkes, who was the government adviser when the Bill went through in 1987. That established that we had a single transferable vote, which I then looked up. Until one starts looking at the single transferable vote, one might think it is something we dreamed up or formulated for the Senate or it is something that the Western Australian Parliament came up with when it was formulating proportional representation. However, it has evolved over approximately 200 years. Literature dates back to the 1700s about the single transferable vote, fractional transfer values and those sorts of issues. The fractional transfer value was formulated in the early 1800s by a Melbourne chap called Gregory. When surplus votes were being transferred, they would be put into a big urn. If there were

10 000 ballot papers, 2 000 or 3 000 - however many were required - would be drawn out. Some mathematical equations were done and it was decided that if 2 000 ballot papers were to be drawn out of 10 000, there could be a 10-vote discrepancy in the second preference on those ballot papers with the different possibilities that were available. The fractional transfer value was formulated to remove the element of chance from the electoral system. Everybody recognised that elections should not take on the form of a raffle; they should be a reflection of the voters' intent. Hence, our Constitution says that the Legislative Council shall be directly chosen by the people.

The case in the Mining and Pastoral Region is the first time a situation has arisen in which all votes have been cast and all but the last quota have not been filled. Normally, just by looking at the votes cast, one could say that Labor had three quotas and the Liberals had two quotas. The process of counting was still completed, but any interested observer could see what would be the result. That has been the case in nearly every upper House seat election since the system started. Looking at the quotas, the votes achieved, the surpluses and who had them after the North Metropolitan Region election in 1996, in which a Democrat member and a Greens (WA) member were elected, one could work out the end result on the back of an envelope. However, in the Mining and Pastoral Region in this election, there were four big groups of primary votes. Normally there are two big groups of primary votes - that is, the two main parties - and then one of the smaller parties would achieve a proportion of the vote, usually not much more than 0.3 of a quota and sometimes 0.4 or 0.5. After the primary votes were counted, only three of the five positions were filled. The schedule attached to the Act deals very succinctly with what to do with surpluses. As members know, if someone ticks the Labor box or the Liberal box, all those votes are counted as first preference votes for the first candidate on that ticket. The ballot papers that are handed to the second person on that ticket go down to 50 per cent of their value if it is double the quota. In that situation, big blocks of votes were going from one candidate to another candidate, who was then elected, and were then transferred to another candidate, which has not happened before. What surprised most people who were doing calculations on the back of an envelope was that when all of Hon Mark Nevill's votes were transferred to One Nation, all of the surplus was then transferred as if it were a One Nation surplus. One Nation votes were transferred to their destination and Hon Mark Nevill's votes were transferred to their destination. Where the system went wrong was when Hon Mark Nevill was excluded on about count 283 - the count is 350-odd pages. To distribute his 5 000 votes, another 90 pages were taken. His first preference votes were distributed on one page, and the next 90 pages were used to distribute approximately 1 200 to 1 500 votes. The Western Australian Electoral Commission is very careful to keep all of the parcels of ballot papers in their groups so they do not distort the result. If ballot papers come in at a value of 0.13, for example, after two Labor candidates have been elected, or at a value of 0.5 after one candidate has been elected, or at a value of 0.34 after another candidate has been elected, the Electoral Commission is very careful to keep those ballot papers in autonomous lots so their value is not distorted. The last 90 pages of the count deals with distributing the 1 200 votes Hon Mark Nevill had received from other candidates. On the last page of the count, 11 900 ballot papers from numerous candidates with numerous values were distributed at one value. All the ballot papers that had a value of 0.13 were jacked up and were worth one again and then were distributed at the fractional transfer value due to the surplus. This has never been expressed before. I have read the Act and all the second reading debate and even the debate during committee, from which it is apparent that no-one intended this outcome. Every effort was being made to move as close as possible to one vote, one value in the original Bill. It was amended slightly but still the principle was there as far as possible. Some compromise was made after an extremely long debate, which has made interesting reading. The debate took some nine months or longer. It is an unintended outcome of the Act for some votes eventually to be worth almost twice as much as other votes, because there is no way under our interpretation of democracy that any voter in an electorate should have more influence over the outcome than any other elector. Regardless of what happens with my petition at the Court of Disputed Returns, I believe this Parliament needs to rectify the situation.

Why does the situation exist? All the other single transferable vote schedules around the world - I have researched the single transferable vote fairly thoroughly - stipulate that when a surplus is created subsequent to a transfer, only that parcel of ballot papers that was used to create the surplus is subsequently transferred in order to remain in an homogeneous lot. In the future, a situation could arise in which 20 000 ballot papers could be transferred at a value of 0.04 of a vote, creating a surplus, and then those 20 000 ballot papers could swamp all the first preference ballot papers which had a value of one vote. The result in this case is a first, but it will not be the last. Now that Independents, minor parties and other groups are emerging in Australian politics, if something is not done, on more and more occasions large groups of primary votes will be distributed among more than the two main parties. The two main parties did not do much better than 30 per cent of the primary vote each. Labor won the election with something like 37.6 per cent of the primary vote.

The question must be dealt with. I have requested that the Attorney General consider underwriting or funding my petition to the Court of Disputed Returns, in the interests of answering the question for all Western Australians. I am not accusing any individual candidate or anyone of doing anything wrong in the election in

order to achieve the result. My only question is how one can interpret a schedule that provides such an absurd result. Surely legislators would not have intended a schedule placed in the Electoral Act to inflate the value of votes of some electors to double that of other electors in a particular electorate. My requests so far have been rejected. The answer was that it would be a waste of taxpayers' money. One of the questions we must ask ourselves as this Chamber moves forward in the legislative process during the next four years, as outlined in the Governor's speech, is that if it is a waste of money to find out whether some electors have had twice the voting power of others in the Mining and Pastoral Region in this case, perhaps it is a waste of time for Parliament to do anything about moving towards one vote, one value. No doubt when that debate comes on, it will consume an inordinate amount of time in this Chamber and the other place.

I cannot let the opportunity pass without reflecting on my past four years as a member of Parliament. I am sure all members will agree that no greater honour could be bestowed upon anyone by the people of Western Australia or the political organisation to which they are attached than to be endorsed and elected as a member of Parliament to represent others in this Chamber. One of the things I find frustrating is the very low opinion in which parliamentarians are held. We have only ourselves to blame for that. To some extent we spend a lot of the time playing the man and, in order to try to get electoral advantage, running each other down. At the end of the day the public perception of members of Parliament is that most of us are slightly unscrupulous, prepared to tell lies if we can achieve the desired ends and, when an election campaign is on, we promise people the world, and the day after the election, we give them an atlas.

One of the observations I made about the last election campaign was that our Premier was an extremely honest man who would not tell white lies or fibs or exaggerate the truth in order to seek re-election. The coalition entered the election campaign saying there was very little money to spend and that budgets were tight. It made very few promises of largesse to the electorate. A party is probably better off being in a Government that cannot keep its promises than being an honest Opposition. That feels like the net result. So be it; we cannot have another election for four years, but I look forward to that election because the Labor Party has quite a job in front of it trying to live up to some of the commitments it has made.

One aspect about coming to this Chamber and becoming members of Parliament is that there is no book to read on what is required or expected, or what we will be asked to do and how we can fulfil our responsibilities. We must come in here and learn very quickly parliamentary procedure, which is one learning curve, and try to establish whether we are doing what we should be doing. Someone should probably take the time to write an introductory manual on the expectations of a member of Parliament. The expectations are so diverse that the role of an upper House member for one of the major political organisations is probably different from that of an upper House member for an organisation such as the Australian Democrats. No hard and fast rules exist for what we should do or how we should do it.

I believe my contribution to the Mining and Pastoral Region and the party I represent has been positive during my four years in office. To some extent the experience has been frustrating, having been in business all my life and being used to thinking of doing something, figuring out how to do it and doing it. The political process has bureaucrats whose job in life is to think of every reason that we should not or could not do something. We spend a lot of our time convincing them and working through all the possible ways of doing things to ensure they will work. The process is understandable. We are dealing with public funds. People do not tolerate mistakes by politicians as much as those of people in their own businesses, because it is their problem if it is their money.

One of the highlights of my being a member of Parliament is the contribution I have made to the party organisation and its electoral prospects. When I was endorsed as the candidate for the Mining and Pastoral Region, the only members the coalition had in that area were Hon Norman Moore and Hon Phil Lockyer; every other seat was held by a Labor member or an Independent Labor member.

Hon Bob Thomas: You had Rod Sweetman.

Hon GREG SMITH: I said when I was endorsed, not elected.

On my departure from this Chamber, the Liberal Party will have federal and state members for Kalgoorlie and a state member for Ningaloo. The parliamentary representation from the conservative side in the Mining and Pastoral Region has increased by 150 per cent. All those people whom I have helped and supported are doing an honourable job for their areas. I am happy to have supported and helped all those people to reach where they are today. Rod Sweetman's win in Ningaloo against the odds and the anti-government swing demonstrates that he has been a good member of Parliament for his area. All members of Parliament on the government side - the people from the ALP will learn this now - must face the fact that when they are in government they have to bite their tongue and handle their differences behind closed doors. To some extent, much of the work that is done in the electorate goes unnoticed, because government members cannot go to the media, put out press releases or run down their ministers. As government members we do a lot to help in our electorate, but a lot goes unnoticed and

is not publicised. I thank Barry Haase, Matt Birney, Rod Sweetman and Hon Norman Moore for their help and support over the past few years. I will continue to support those people in the future, regardless of whether I come back to this place in the immediate future or in four years from now.

Two issues that have been talked about ad nauseam since the opening of this Parliament have been reconciliation and the environment. It is interesting that both Hon Mark Nevill and I - even Hon Helen Hodgson touched on it - chose to speak on reconciliation. Earlier this morning when I was in the other place I noticed that one of the new ALP members was also talking about Aboriginal affairs. It is unfortunate that any time we talk about Aboriginal affairs, and some of what exists in the Aboriginal sphere, we are called racists or are accused of being opportunistic. All of us want nothing more than to see the welfare of indigenous people in Australia and Western Australia move forward. I do not want my children to face the same issues with indigenous affairs when they grow up as we have had to face in our lifetime.

To some extent reconciliation has gone backwards in the past 10 years rather than forwards. In places like Mt Magnet, 10 years ago there was reconciliation. Football teams were made up of Aboriginal and white people. We all played, drank and worked together. The only delineation between us was that when we went out together and made fools of ourselves or embarrassed our friends we were considered dropkicks; it did not matter what colour we were. However, in Mt Magnet there is now division between Aboriginal and white people due to native title and land claims. Aboriginal people in the area have huge expectations about their rights and what they may get out of native title. That has divided the Aboriginal and non-Aboriginal communities.

A pastoral property on the outskirts of Mt Magnet was bought nearly two years ago by the Indigenous Land Corporation for the indigenous people of the area. They have nearly finished eating all the sheep on the property. A whitefella by the name of Vaughan lives on the property. Two years ago he was put on as the caretaker for three months. He is still there; nothing is happening and no-one is taking responsibility for the property. The different family groups in Mt Magnet are fighting, bashing and intimidating each other. We have had riots in town over who should own this property. The net result is that no-one has possession of this property, and no-one has done anything with it. The place is now overrun by feral goats. The caretaker wants to muster the goats because they are drinking the place dry and eating the place bare. The owners said he could muster the goats, but only if they received all the money. He said that it was a lot of extra work for him and he would have to get in people to help him, so he asked whether the owners would go 50:50 with him. He said he would give the owners half of what he got for the goats. The owners said no to that because the goats belonged to the them. It is an absolute shemozzle that has done nothing to improve the lot of Aboriginal people. It has put reconciliation back.

Reconciliation is a playground for academia. No-one can tell me when we will be reconciled. When do we reach the point of reconciliation? What significant event will mark the end point? In places like Kalgoorlie, we were criticised during the election campaign for making comments about fringe dwellers. If people in the main street of town are yelling and screaming, are drunk or defecating in the streets, or are fornicating in the parks, and they are Aboriginal, surely we should be able to say that Aboriginal people are being antisocial. Unfortunately, one cannot comment on that sort of behaviour without being howled down or accused of racism. That behaviour has been allowed to go on for a number of years and the police basically have turned almost a blind eye to it. It has reflected badly on all Aboriginal people.

In order to achieve reconciliation we must all accept that everyone is equal. Most of the people I know have done that, but how do we convey that message to the public? Will we be reconciled when we have given all our land to the indigenous Australians, or when Aboriginals hold the same percentage of positions in the professions as the rest of Australia; or will non-indigenous Australians become the whipping boy for the failure of reconciliation? That is how it feels to people. One of the reasons that One Nation has gained some credibility is that it has stated the reality of what is happening in the indigenous communities today - as Hon Mark Nevill did in here today. It breaks my heart to go to places such as Halls Creek where groups of people are sitting in the park at 10 o'clock in the morning with a carton of Emu Export, and that is all the three-year-old children with them have to drink. They are growing up as alcoholics. To some extent indigenous affairs in Western Australia have gone progressively backwards over the past 10 or 15 years. From what I can see, it will get worse because the generation interval is far shorter in these communities than in our culture. These communities have sexual abuse, incest and all sorts of things. In places like Balgo, people live in fear. It is a life of hopelessness and fear. Girls as young as 16 years of age have children who grow up illiterate and lawless, and at 16 those children have children. The situation is going progressively backwards. To some extent that is because many older Aboriginal people who did have self-respect and pride in themselves and their people and culture are losing hope or passing away, so it is becoming a downward spiral. Every member here should be prepared to look at the problem honestly, not try to gloss over the ugly side of it, and do something to deal with it. From my perspective, the

only help we can give disadvantaged children that will allow them to become anything they want in Australia is an education.

*Sitting suspended from 1.00 to 2.00 pm*

Hon GREG SMITH: Before the lunchtime suspension I was concluding my remarks about the backward steps reconciliation has taken us in the past 10 years. As I was saying, 10 years ago all the people in the communities where I have lived got on very well regardless of race, creed or colour. Only since reconciliation has been an issue have we seen division. I look forward to hearing when reconciliation has been achieved. No one has articulated at what point Aboriginal and white Australians can consider themselves to be reconciled. We should try to document an objective so that we have something to work towards. Without a recognisable target it is very difficult to move down the reconciliation path.

After my spending four years in this place, another group that cannot escape mention is the environmental movement. Although many people involved in the environmental movement and lobby groups are well-intentioned, I perceive that they have an insatiable appetite for issues to continue or for the number of them to increase. As I think I have said in this place previously, that is not surprising when a political movement is involved. If perceived problems were solved, the lobbyists would not have an excuse to stand on their soapbox. Despite this Government's promises, people are complaining that insufficient old-growth forest is to be locked up, and what is determined as old-growth forest by one group of people does not include all the old-growth forest as perceived by another group of people. These issues are being kept alive more for political reasons than for environmental benefits. Anyone who has driven around or taken a flight over the south west will have seen the miles and miles of forests there. When I drove back from Albany a few months ago with some visitors, we drove through the forest for hour after hour. Emerging from the forest to see hay bailed up in plastic bags was a welcome change in scenery. The sight of continuous forests was almost monotonous.

The environmental movement has also moved into the mining and pastoral area. We may have difficult times ahead now that a Greens (WA) member is representing that electorate because issues will arise that we have not even thought of. One example is the debate on the detrimental effect of the tidal power project on the mangroves in Derby. People in that area who have tried to develop prawn farms have faced arguments from environmentalists about acid sulfate mud. There is no end to where they keep moving their agenda.

One of the issues most disappointing to me is that almost four years to the day after making my maiden speech, stage 2 of the Ord River scheme has not advanced one iota other than on paper.

Hon Kim Chance: The decline in sugar prices has had a fair amount to do with that.

Hon GREG SMITH: Nothing has happened in four years. The potential economic benefits of irrigating another 60 000 hectares of land are enormous. The Minister for Agriculture says the decline in the price of sugar has something to do with the lack of progress. Wesfarmers Ltd and Marubeni Australia Ltd are not seeking to expand on the back of one industry. Horticultural industries can be developed and other crops can be planted. The time between the commencement of the project and production is significant enough to disregard present commodity prices. When mining of mineral deposits is commenced, whether they be gold, nickel or zinc, only projected prices are taken into account. The spot price at commencement of construction is irrelevant because nothing will be produced for up to 12 months, or even two years in many cases. Compared with the Greens (WA) as the effective coalition partner of the Australian Labor Party, the National Party would have been far easier to work with because the Greens want to drive their own agenda. I pity the Government somewhat in that regard and have some fear about what might be the outcome in my region.

In various aspects of the political process the remote parts of this State become a bargaining chip for the metropolitan area. During the native title debate it was evident that people in the leafy suburbs of Perth and in academia were prepared to give away land in regional areas because that would not affect them; it is not their land. Similarly on the forests debate, people in suburbia were up in arms about practices in the south west because it is not in their backyard. They want to console themselves by giving something away or compromising something that does not affect them. The Mining and Pastoral Region may become, to some extent, one of the bargaining chips of the ALP to placate the Greens who want to progress some of their legislation.

I sincerely hope that is not the case.

The lack of development in the past four years in the mining and pastoral areas may well be attributable to native title, but it is also attributable to the way in which the Environmental Protection Authority conducts itself. One of the problems people have with its unfair process on environmental issues is that the EPA believes that people are guilty until proved innocent. People need only allege that something may take place in the foreseeable

future, and it costs basically nothing to make those allegations. However, it costs an enormous amount of money to developers and other people involved in projects to prove that what is being alleged is untrue.

Hon Murray Nixon yesterday touched on the issue of private property rights. Since I have been in Parliament, someone - not one of my constituents - had a rare plant found on his property. His property was set aside to preserve the plant, and he received very little compensation. The EPA decided it wanted only 20 per cent of the property. However, during the time he was not allowed to use it, regrowth occurred and he was not subsequently allowed to clear it. Very little compensation and very little recognition were given to him for the suffering and financial burden imposed on him through the activities of an environmental group in this State.

I discovered that the EPA bureaucracy has an agenda that was set a long time ago and is being constantly reset. Legislation is often brought out of the drawer and tried on a new minister. It fails and goes back in the drawer. When a new minister emerges, the bureaucracy pulls the legislation out of the drawer again and attempts to sell it to the new minister. I suspect our new Labor ministers will find a lot of legislation and ideas coming out of the drawer and being presented to them as issues that must be addressed. I have heard talk of bringing forward legislation that was previously suggested for acceptance by the previous Government or that came to the party room and was rejected by ministers; no doubt all of those matters will be brought up again.

I raise this matter because a publication called the *Red Book* produced in 1982 by the EPA mentioned all the land and reserves that the EPA wanted to get hold of. The EPA has slowly but surely been chipping away to achieve that desire and, as Governments have changed, it has gradually managed to get a bit more. I have no doubt that the *Red Book* is still in an office of the EPA and that someone is working away to try to get that land.

As Hon Murray Nixon said, when land is reserved for conservation purposes, it is difficult to get any form of compensation. I have heard that a biodiversity Bill will be brought into the Parliament. The mining and pastoral industries have a lot to fear from that move, as conditions are changing and have changed in the pastoral areas. Many plants are growing in areas where they did not grow 50 years ago. The Gascoyne, for example, is now covered in buffel grass, which was introduced into that area when it came out of the stuffing used for saddles. It is growing very well and has changed the make-up of the pastoral areas in that region. I am unaware whether that is to the detriment of those areas. It is unfortunate that people involved in the pastoral and mining industries are viewed as environmental vandals who are raping and pillaging the land.

One thing I cannot stress strongly enough is that no industry cares more about its land, the land on which it is dependent for making a living, than the pastoral industry. It is the foundation of its present and future income. It is of no benefit to the pastoral industry to severely degrade its land and thereby reduce its ability to carry stock. Another aspect of the industry that people do not understand is that the effect seasons have on the land is far more dramatic than any grazing pressure could ever put on some of the pastoral areas. I remember in Meekatharra in the late 1990s, after three to four consecutive years of drought, the only green plant growing was turpentine bush. Small thunderstorms, grazing, wind and hailstorms had stripped that country of almost every piece of foliage. If people had driven up there at that time and looked at the country they would have had the impression that someone had done something terribly wrong to the land by overgrazing it or otherwise not looking after it properly. However, after one good season they can drive up there and see how the landscape completely changes its appearance and how most plants that had disappeared have returned. Someone may have researched this matter; however, I suspect that as native forests at one time burnt down and regenerated, so had our pastoral areas naturally burnt almost bare and rotationally regenerated. With limited stock rates when no white man lived in Australia and with very little water, the ability for anything to live there was greatly reduced. The time at which one looks at an area of land can give the wrong impression about the state of that land.

Before I conclude, there is a long list of people I want to thank. One of the most rewarding aspects of being a member of Parliament is the privilege of meeting many people that one otherwise would not meet. One meets managing directors of companies, shire presidents, chief executive officers, headmasters, police sergeants and people who, as a politician leading a normal life - although being a politician is anything but normal - one would never have the opportunity to meet. In the past four years I have made many good friends and, hopefully, they will be friends I will continue to have for the rest of my life. There is a long list of them and I will name a few. It is always dangerous to start naming people because there is always the chance of forgetting someone. One person I must thank is Rebecca Sachse, my electorate officer for the past three and a half years. Members rely on their electorate officers to arrange their itineraries, make their travel arrangements, draft and write letters and to some extent sort their mail into what one needs to read, should read and should not bother reading. Members are basically only as good as their electorate officers. Members of Parliament must recognise that a good electorate officer can either make or break them. I have been very fortunate to have a very good one. It has reflected well on me in the electorate by allowing me to keep in touch with members of my electorate, to produce newsletters and to deal with constituents' issues in an expeditious manner when they call for help.

I would like to thank a lot of other people, but especially Peter and Barbie Hinchliffe from Karratha. I met Peter immediately I became a member of Parliament. He is a dynamic person and his wife, Barbie, is an absolutely lovely lady. When I go to Karratha, I stay with them and they treat me like a son. They are always a great source of information about what is happening in the area and what issues we should and should not be addressing. Members have many people contacting them and saying that an issue should be pursued. However, when we scratch beneath the surface and ask people whose opinions deserve respect, we find that the opinions of those pursuing an issue are sometimes not highly regarded. I have used people in the electorate as sounding boards on many issues, but no-one more so than Peter Hinchliffe. I also thank Peter and Kay Durrant. Until recently, Peter was the manager of the Town of Leinster. He has always been supportive and a very good source of information. He has been involved with the Shire of Leonora and a member of the development commission. He was another great source of information and advice about what issues should be prioritised. Gary Johnson from Broome has also been a good supporter and a great helper. He is flat out running his extensive business interests in the Kimberley but, when the chips are down and the whips are cracking, he will be there. Some people promise the world, but they are never there when they are needed. Gary is the opposite - I do not see much of him, but he is always there when I need him.

Most members would know Patrick Hill from Laverton. He is involved with the outback highway, which I hope will see the light of day. Bill Leaver and Joan Hadfield from Leonora have also been great supporters and very good sources of information and advice. Will Scott, a great friend, has been involved with the Liberal Party for a little longer than I have, but not much longer. He has been very supportive and we have done a lot of work together. David Hay from Karratha, Marshall Hipper from Shark Bay and Matt Birney and Russell Collett from Kalgoorlie have been a pleasure to work with and have been a great help.

I must not conclude my remarks without thanking you, Mr President. The President has been a great source of advice. He has been a supporter when I realised that things were not going the way I expected them to and when I jumped in at the deep end, which I have done a few times. Of course, Hon Norman Moore, who was Leader of the Government in this place throughout my parliamentary career, will be a life-long friend. He is very knowledgeable about political strategies. Given the time that he has spent in this place, he has seen it all before. We all know that history repeats itself. Sometimes members come up with what they think is a good idea, but Hon Norman Moore offers a different perspective and provides very wise counsel.

I also thank Noel Crichton-Browne. I no longer see him very often, but he has a very good political brain. I will continue to call him a friend and I will continue to seek advice from him.

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

Hon GREG SMITH: I thank members for the courtesy they have shown in allowing me to speak for a few more minutes.

I cannot let this chance go by without stating that I have the utmost respect for Richard Court. He was a very good leader and Premier, and history will reflect that. His integrity is unquestionable. He may have been too loyal to some of his cabinet colleagues when he should have been more concerned about his own reputation, but, if loyalty is a fault, it is a good one to have. Those who have been his friends throughout his political career will remain his friends.

I also cannot complete my remarks without thanking my wife for her support over the past four years. We all know that members of Parliament are expected to be everywhere everyday. Hon Norman Moore explained it best on my first trip with him after the election. We were flying to Mt Magnet for the Citizen of the Year awards and he was to make a speech at the ceremony despite the fact that his mother-in-law had died that morning. I asked him why he did not cancel. He told me that every person in Mt Magnet would remember that he did not attend a function when he said he would, even in 10 years, but no-one would remember that his mother-in-law had died that morning. They are the sacrifices we make as members of Parliament, and our wives and families make those sacrifices with us. To some extent the public does not appreciate what we do. Contrary to popular belief, no-one becomes a member of Parliament for the money. We are all here because we want to have a positive impact on the State.

Before I came into this place I was a shearer and a pastoralist. I was held in high esteem as a gun shearer, but, when I became a politician, my social standing fell dramatically. I will be returning to the private sector, but I intend to come back to this place. This is a pause in my political career, not the end of it.

[Applause.]

**HON MAX EVANS** (North Metropolitan) [2.26 pm]: I support the motion moved by Hon Ken Travers to thank the Governor for his first address to the Parliament of Western Australia - it will be the first of many. I have met



His Excellency and Mrs Sanderson on a number of social occasions and I believe that Western Australia is very fortunate to have a man of such experience serving as Governor. Barbara and I thank the Governor and his wife for forgoing other activities to fulfil this role. Lieutenant General Sanderson is a born and bred Western Australian and we are fortunate that a man of his calibre has agreed to fill this position. I know he will enjoy the job as others have before him.

Many years ago I was involved with the Scouts. In his book, *Scouting for Boys*, Lord Baden-Powell stated that we must do two things: Leave a campsite in better condition than we found it and our thanks. I leave my thanks to all members of this House - we are all good friends. I hope I have left this camp site better than I found it, and I have tried to make changes. My friend Hon John Cowdell gave me a book by Peter Walsh called *Confessions of a Failed Finance Minister*. On the inside page he says that he is looking forward to the confessions of a successful finance minister. I thank Hon John Cowdell for that and I hope I can honour that one day.

Hon Ken Travers: Did he charge you for it? He always charges us.

Hon MAX EVANS: No, he left the price tag on the back. However, I do thank him. That is what I have tried to do to make it better. Last night I was given a book on Sir John Forrest. The back cover states -

His commonsense rule of government was that a politician should always try to leave the country better than he found it, and especially to make 'two blades of grass grow upon a spot of ground where only one grew before'.

That is my philosophy. I thank those in the Chamber. Laurie Marquet has been an exceptional Clerk. I do not know why we must use that word; there must be a better word than "Clerk". It goes back a long way, but they must like it.

Hon Kim Chance: It is because "dictator" is not acceptable.

Hon MAX EVANS: I hope that will be recorded in *Hansard*. I also thank Ian Allnutt. The library staff have been exceptionally good over the years. I, having held many portfolios in my career, and my staff have eaten in a lot of hotels around the State. Members would not see a better dining room anywhere in Perth than the one we have at the moment. The staff, the layout and the meals are to be commended. The maintenance staff have looked after this place well. A lot of money has been spent in recent years, but it is very important. I also thank Teena and Julie in the ministerial office, as well as the Hansard staff. I feel sorry for them sometimes when I get a little heated and speak quite fast. I have heard, though, that Bob Pearce spoke even faster than I do. However, we all try to do our best.

Like other members in this place I could not have coped without a wife like Barbara to support me at the many functions I attended. I have been to a few functions lately and everyone has been very grateful to her for attending all those functions over the years. In fact, I have created a sub-diary sheet of all the functions we have been to and it is quite large. It has been great to have such wonderful support. My children have also given me support. In 1986 we could not get a Liberal Party candidate to stand against Terry Burke, so my son Peter stood against him. Jack Evans, a Democrat, had done a deal with the Labor Party not to stand a Labor Party candidate against me. It was thought that Jack Evans or Max Evans might make it more difficult. Unfortunately for Jack Evans, it leaked out about two weeks beforehand. Mr Finn became the independent Labor candidate to help split the votes and my son Peter also helped and he enjoyed it. Members may not know that Peter won gold and bronze medals in Moscow and a couple of bronze medals in Los Angeles. He put a lot of heart into that work. It would have been terrible had he been elected to Parliament, because no-one should get into Parliament that early in life. I told the *Sunday Times* before lunch that a couple of weeks ago Ric Charlesworth had said that no-one should go into Parliament before the age of 50 years, after their family is off their hands and they have achieved something and had successes and failures. That was interesting because he went into Parliament in his early 30s. My son James studied overseas for a commerce and economics degree and an MBA, and is going on to study acupuncture. My son Peter is a spiritual healer. How could anyone expect a chartered accountant to breed those two? Something went wrong in the breeding. If it were horse breeding, people would say that they were throwbacks, but both of them will do a very good job. My son Richard has done economics and law and he is a great credit to himself.

Now I will bring a few points to the notice of the House. Before lunch I told Hon Greg Smith that all the points he made about the problems with the voting system were very important. He has done months and months of research and it is important that it be on the record. However, I do not know whether anything will be done about it. *Hansard* is a most wonderful place in which to look things, because people can look at *Hansard* of 100 years ago quite easily. I am doing a lot of research into some issues from 1905 and 1906, which I will go into further in a moment. Someone will pick it up and do something with it.

Several members interjected.

Hon MAX EVANS: It is just putting things right. It is wrong; it is as simple as that.

One of the biggest problems for Western Australia at the moment is the Commonwealth Grants Commission. The Commonwealth Grants Commission is reappointed every five years under certain terms and conditions. It will now split the money from the goods and services tax, which worries me. All the money from the GST will be coming in, but how will we get any money from it? Last year I received a letter from Treasury indicating that each year it keeps peeling away the grants that we are entitled to. It states -

The Grants Commission recommended a \$56 million reduction in Western Australia's share of grants (which now comprise GST revenues) for 2000-01. This is the largest cut for any State and the seventh cut for Western Australia in as many years. These cuts have been a major constraint on successive State budgets, and demonstrate the difficulties we continue to face despite the State's excellent economic performance.

The increase in revenue that comes to the States is based on a consumer price index on a per capita basis, and the Grants Commission decides how much it will take away from us. It does give more to other States.

It continues with two columns -

	Annual Loss \$ million	Cumulative Annual Loss \$ million
1994-95	54	54
1995-96	53	107
1996-97	67	174
1997-98	34	208
1998-99	27	235
1999-2000	74	309
2000-01	56	365
Total	365	1,452

The cumulative annual loss is added to the previous year, so \$1.4 billion has been taken away from WA on what it should have received in normal grants. Another report would have come out last month. It continues -

The accumulated losses to Western Australia over the seven years now totals a staggering \$1,452 million or around \$760 per person. That is, each and every Western Australian is \$760 worse off than if the State's share of Commonwealth funding from 1993-94 had been maintained.

Relative to our population size, this far exceeds any losses suffered by other States or Territories.

The cut in Western Australia's funding reflects the Grants Commission's application of the principle of "fiscal equalisation". Where costs of services are higher in a particular State for reasons beyond that State's control (eg. demographic or geographic differences), the State receives a higher share of grants. In addition, States with above average capacity to raise their own revenues have their grants reduced. Western Australia's capacity to raise revenues (particularly royalties from our large petroleum reserves) has grown faster than that of other States, which has been the major reason for the Grants Commission cutting our share of grants.

As a result, much of the revenue benefit from Western Australia's mineral and petroleum projects and strong economic performance has effectively been distributed to the other States through the Grants Commission process.

When we first came to government, the exchange rate was 83c for every \$US1. As a result, we were \$29 million down on royalties. Now the price of oil is up and the value of the dollar is down. It will probably be \$150 million over budget on this. All that money should not be spent because the Grants Commission will take a lot of it away from us; that is the way it works.

Last year I was loaned some copies of *The Daily News* from 1905 and 1906. Hon John Cowdell and Hon Derrick Tomlinson and a lot of professors have copies from me. At federation, the Federal Government decided it would collect all the excise and customs duty - customs duty was charged between the States at that stage - and give 75 per cent back to the States, which seemed like a good formula that would protect the States. After five years, three of the States - Tasmania, South Australia and Queensland - did not like it. The States took a vote,

with a result of 3:2. Western Australians said they would allow the vote to provide compensation. The Braddon clause, instead of being in place for 10 years, was scrubbed after five years. *The Daily News* of 17 April 1906 has headlines stating "Brazen intent to rob", "Half-a-million annually involved", "Bankruptcy inevitable", "Hard times ahead for Western Australia" and "A very serious and alarming position". The next day's paper had a headline stating, "Commonwealth plundering: Will WA submit?" The next two days' papers had headlines stating, "How can this state remain solvent?" and "Western Australia's prospects of losing nearly half a million pounds annually".

Not much has changed since 1906 because today the Commonwealth is still taking money away. In those days it was relatively a lot of money. Hon Bob Nicholson, a judge of the Federal Court, who won an essay prize at university based on the Braddon clause, said that we might be able to get the High Court to reverse the decision or do something about it. We found that Parliament was allowed to change the rules, which it has done. It continues -

In a nutshell, the results of this conference mean the ruin and the bankruptcy of this State during next year. Times are bad enough now, but when in 1907 all public works will have to be stopped and all departmental expenditure curtailed, the outlook gives cause for alarm and immediate action.

... Under the Braddon section of the Commonwealth Act, the Federal Treasurer is bound for 10 years from 1901 to return to the States 75 per cent of the revenue collected from customs and excise duties. The Commonwealth Parliament, however, desires to give itself greater spending powers, and Mr Deakin -

The then Prime Minister -

- has intimated that this section will not be renewed ... Last year Western Australia received from this source £923,346 - an amount which it is impossible to make up in any other way ...

A note on the balance sheet says to deduct from £923 000 the sum of £400 000, being the loss on the per capita distribution. In other words, all our money goes in and we get a certain amount back on a per capita basis. In Western Australia all people were classed as working men and not families, women and children, whereas the bigger States, such as New South Wales and Victoria, had a big population. We would lose £400 000 on the per capita distribution, and £150 000 on a sliding scale, and we would have £550 000 plus the deficiency of £86 000 of the previous year. That was the estimated loss to Western Australia at that time. It continues -

A cursory glance at the above figures will show that the task is an impossible one, and that the bankruptcy of the State is inevitable unless some immediate action be taken.

I have carried out a lot more research in papers such as *The West Australian*. I rang Professor Frank Crowley who used to live in Western Australia and who has recently written a book on big John Forrest. I asked him what happened and I looked at the budgets to find out when the impact occurred. He said that no-one had ever asked him that question and that he did not know the answer. We are still trying to find out when it happened. Sir John Forrest made his federal budget speech in 1906. I had forgotten that he was the then Treasurer. On that date an interjector asked for his comments. He said that as a Western Australian and not the Federal Treasurer he knew how bad it was, but he did not give any answers either. That will be my work when I come back from overseas.

I used to say to the President - then the Minister for Mines - and the Premier that in Western Australia we received the royalties from the Woodside North West Shelf gas project, but did not get all the other royalties because of the effect of international waters and so on. We provided the schools, roads, police stations and all the infrastructure on the west coast, but all the royalties would go to the Federal Government. No extra money or compensation came back to WA. It is a crazy way to go but no-one wants to change it, because the economists and the Grants Commission are all from over east.

Hon Eric Charlton said that Western Australia has 25 per cent of the national highways and only 7 per cent of the available money. If we bring everything down to the lowest common denominator of sharing, WA will never get anywhere; there must be winners and losers sometimes to give an incentive. I wanted to raise that point about the way the Grants Commission handles matters.

I have not read all the comments in the other place but reference was made to fat cats facing a shake up. I have spoken to Stuart Hicks. From my knowledge of and experience in business, I do not agree that amalgamating everything is the answer. As chartered accountants we used to see international companies trying to take all the responsibility back to Sydney or Melbourne. People in the eastern States do not know the economic conditions in WA, because the times and markets are different all around Australia. If they think they can run all the companies from the eastern States, they have another think coming. If the Government thinks it can run its

agencies from the Ministry of the Premier and Cabinet or the Treasury, it is crazy. If it plans to supervise all those agencies, it must re-examine this closely.

The racing industry in New Zealand, New South Wales and Queensland put in place boards to oversee the racing industry. They thought they could run the industry better than the clubs themselves. They are now unscrambling those boards because they did not work out. Just because racing involves four-legged animals it does not mean one board can run the whole industry; different types of people work in the industry, some horses race at night and some race during the day and at weekends. Government agencies are very much the same. Just because people are public servants it does not mean they are all the same; they all carry out different functions in different ways. Some are very good and some are very bad.

I shall be interested to see how many public servants the Government culls. When it seeks people who want to take early redundancy, it will find that all the best people will want to leave because they can easily get another job and, if it is not careful, it will be left with all the crumbs. The employees of Transperth wanted five weeks' pay for every year of service. Some of our public servants had been there for between 20 and 30 years would not need to work for the next five years because of that redundancy pay. I believe that in a few years someone will have to unscramble the mess because it has never worked in companies. Newspaper organisations have tried to do the same thing. Banks did it years ago. The old Commercial Banking Company of Sydney used to do all the decision making over east, as did the ANZ Bank; they had to move the decision making to WA where people understood the economic climate. The Government will have to do the same thing.

I do not read *The West Australian* very often. As I told a journo this morning, my wife says that I get all my exercise running through the headlines of the newspaper. I never read the content. People usually tell me what is in it. The editorials are supposed to be the God Almighty of *The West Australian*; however, sometimes I wonder - I am certain they are not. A recent editorial in *The West Australian* titled "MPs must be seen to earn pay" reads -

Politicians have also had an unhappy record of voting themselves pay rises at sensitive times.

What a lot of garbage. That guy should not have a job if that is all he can write in an editorial. Hon Murray Nixon and I were a bit rude to Ben Ruse the next day. He asked who was paying my fare to Melbourne the following week. I told him where to go, but he did not want to go there! My secretary said, "Thank God he did not report all the things you said to him." My wife thought that was bad enough. Another article appeared in the same copy of *The West Australian*, which shows the editors do not even read their own paper. That is typical. Ben Ruse writes -

These salaries are reviewed every year by the independent Salaries and Allowances Tribunal, not the politicians themselves, and have risen steadily during the 1990s, with the last increase being in 1999.

Someone asked at lunchtime when the next one is, and Murray and I said hopefully before 21 May. We will wait and see. I hope someone sends a copy of this to the Editor of *The West Australian*. The *Government Gazette* of 25 August 2000 reads -

Under the Salaries and Allowances Act 1975 this Tribunal is required to make determinations regarding the remuneration to be paid or provided to, *inter alia*, members of the Parliament of Western Australia. The Act provides the Tribunal with complete discretion as to how remuneration is determined and it has become the practice of the Tribunal to publish reasons with its periodic determinations.

That was put in place many years ago, and editors should understand it, as Ben Ruse did.

I come back to the imprest account. I do wish that newspaper publishers would not try to make political mileage out of this against both sides, because members will suffer from it. Years ago, when I understand Sir Charles Court was the Premier, the backbenchers complained that ministers could go all around the State to see it but that they could not. That is why the imprest account was introduced. The \$19 000 is part of the pay package. If members take their wives with them, the Australian Taxation Office will charge tax on the costs for the spouse or friend, but not on the costs for the member. I have some doubts about that, and perhaps the Australian Taxation Office could tax that amount too. When Nick Catania was shadow Minister for Police, he used to tell me that he travelled around Western Australia to see all the police stations. A Labor backbencher paying 12.5 per cent of his salary in superannuation, 4 per cent to the party fund and a few other things does not have much left for the wife and kids. The imprest account was given to backbenchers so that they could become more knowledgeable. It is important that every member of Parliament should get out of Perth and see what this State is all about. The members from the north of the State have a travel allowance to enable them to move around their electorate. The amount is fixed by the Treasurer. Someone should gag Hon Eric Ripper to make sure he does not make any changes, because he is just silly enough, under pressure from the newspapers, to do something about it. That would be a great mistake.

Reference is also made to reports on travel by parliamentarians. I understand that during the time of the previous Labor Government it became a big issue at one stage, and it was said that members should provide a report when they returned from their trips. The Government did not go ahead with it. I do not think that is necessary either. Members do different things when they go away, and they should be allowed to do that.

Hon N.F. Moore: The imprest account was a cashing up of the travel allowances available to members at the time. Everybody could go to Melbourne once a year for some strange reason. There were other benefits to members for travel, which they had to apply for. It was cashed up so that every member got a chance to do it.

Hon MAX EVANS: Members will regret it if they lose it. I will not, because I can travel. Hon Ljiljana Ravlich will not be able to lodge freedom of information applications to find out where I have been, what I have done and whom I saw.

Hon Ken Travers: You were always hard to attack on travel.

Hon MAX EVANS: I was on 6PR Radio one morning with Karl Langdon, who was a footballer. He said that he had read a front-page story about me that made a lot of fuss about travel, but he could not see what I had done wrong. I told him that I had done nothing wrong, that it was the bloody journalists who think it is all wrong. The newspapers do not know what they are doing. A journalist reported that I could not be contacted, yet on the same day I was quoted on the front page of the newspaper.

I will return to the subject of parliamentary superannuation, which is very close to home. In 1995, a committee comprising members from both Houses of Parliament including Hon Mark Nevill, and Nick Catania of the Parliamentary Superannuation Board, looked at the problems and also salary packaging. I had not looked at the Act, even though I was the chairman at that stage. A number of anomalies in the legislation needed ironing out. We went to a lot of trouble to do this. The Liberal Government brought the matter forward. Most of my Labor friends in this place will know what I am talking about because they backed me and not their leader. Jim McGinty went away with some half-baked ideas following a briefing at his office. He said the Labor Party would not pass the legislation because it contained salary packaging, and that was not good. The legislation was knocked out because Caucus did not approve of it. It was a great pity that we did not sort it out then, because it would have ironed out a number of the anomalies that are in the present legislation.

At this stage we have a formula to work out what a member's pension will be. It is worked out based on the years of service and higher office held. It is my opinion that the matters of dust pollution, noise pollution, assessment of ground water usage, and the consequences thereof, and the potential impacts upon the environment and upon other uses of ground water in the area, together with flora and fauna preservation and protection, are all matters that in this case are properly the subject of inquiry and direction by the Environmental Protection Authority.

A multiplier is then applied. At the age of 45 years the multiplier is 14. That was Brian Burke's age when he retired, so these are called the Brian Burke amendments. He even had some amendments passed after he retired, so that he received an \$88 000 retrospective payment. The whole formula was rejigged for that purpose. The multiplier factor was 14 at 45 years of age, 13 at 55 years of age, 12 at 65, and when one is as old and grumpy as I am, it is 9.5. I will tell members how much that is. The contribution rate is 12.5 per cent, so based on a salary of \$96 000, about \$12 000 goes towards superannuation after tax. Those members, like Hon Norman Moore, who were here before 1 July 1986 got a tax deduction for the amount they paid. In other words, if they contributed \$12 000, they would get a deduction of \$6 000. However, after July 1986, if the employer made a contribution, they would no longer get a tax deduction. I do not have to tell backbenchers this because they know how hard it is, because the contribution to party funds differs from party to party. Members of the Labor Party in this place pay to the party fund more than its members in the other place, and the Greens (WA) pay more than all the parties. That must all come out before they receive their take-home pay. Therefore, what they get at the end, they deserve.

I feel sorry for the new members who must come under the new scheme. I hope they have on their wall a photograph of Alan Carpenter with a dozen darts next to it, so that they can throw them at his heart. He has mucked up the system, because he put pressure on us to review it.

Hon Mark Nevill: It is not for him. He will get a couple of hundred thousand as a transition payment.

Hon MAX EVANS: No, he will not. The transition payment is out; that and the adjustment of salary was not brought in. All new members will get is the superannuation guarantee charge, which is 9 per cent - fabulous! I had to ring up the Parliamentary Superannuation Board this morning for the answer. They will get even less, because it will be minus the 15 per cent superannuation surcharge. They will get \$8 550 from the Government as its 9 per cent contribution, and \$1 282 will go to the superannuation surcharge. They will only get \$7 268. The benefit is not 9 per cent; it is only 7.65 per cent - so good luck to them! They will have to take another

throw at Alan Carpenter. That is what he has done. Many years ago, one of my very good friends, who was a keen Liberal Party member, was discussing salaries with Malcolm Fraser. He told my friend to make certain that members were paid very well to leave, otherwise the members would never leave! Members should think about that. The new members who will benefit from the 9 per cent contribution will have \$12 000 a year or \$1 000 a month more to spend than other backbenchers who are not paying money into superannuation. They will suffer later, if they do not put any money into superannuation. Under the new scheme their spending power will be \$12 000 a year more after tax. I say to all of those members - they are not here today - that they should ensure they look into their superannuation very quickly otherwise they, or their families, will pay the penalty later in life. They are well off now cash-wise, but in the future they will not be.

There was not really much wrong with the parliamentary superannuation scheme as Hon Mark Nevill, Hon Bruce Donaldson and others on the committee found. Members of the Gold State Superannuation scheme pay 5 per cent of their salary into superannuation and the Government contributes 12.5 per cent, two and a half times the contribution rate. We contribute 12.5 per cent and the Government 2.8 times that. There were a number of reasons for that, but I will not go into why it is more. I do not see much difference one from the other. It is just that the amounts of money are bigger. We cannot do much about it now. However, it will be difficult for the newer members. Alan Carpenter might be all right. He may have a pretty safe seat. He may never want to leave this place because he will be getting better money here than he will get if he leaves, so there will be no incentive for him to go, unlike others. The changes to the scheme were not necessary. The scheme was once fully funded.

I am perturbed by the comments made about the size of the lump sum that members will receive. It looks great and the journos write this up, because they are as envious as bloody hell. They are green with envy as they wish they had it. I will tell members a side story. Years ago my old firm had Robert Gottlieb of *Business Review Weekly* attend a breakfast or a lunch. I said to Robert that we had just got an increase in pay, but the journos were saying nothing about it. He asked me how much we were paid. At the time it was \$56 000 a year. He said, "Christ, all our guys are paid more than that." That is why they did not worry about politicians. As soon as we get a dollar more than the average journalist, they scream like hell. That is human nature.

On the issue of lump-sum payouts, I do not know whether Hon Cheryl Davenport has received a "Statement of Member Contributions" from the Parliamentary Superannuation Board. I had this form designed so that members could find out what they would get. On my statement, the estimated lump sum is \$907 000. However, 24 per cent of that, or \$216 000, goes in tax. The note against that entry is that the income tax payable on a benefit paid after the age of 55 years is at a rate of 16.5 per cent for the first \$100 000, and 31.5 per cent on the balance. The members under 55 will pay even more. My contribution is \$172 000. Those journos forget that we kick into our own fund. We are not like the judges who have a great time. They put in nothing and get out a lot. If I added on what I earned, I would have my own money plus earnings of \$300 000. It is never revealed in the newspapers that \$300 000 is my contribution. One would think that the taxpayers or the journos are giving it to me; they are not. At the end of the day, the Government gives me only \$400 000 and not \$900 000. I do not care what it gives to the Australian Taxation Office; it should have given it to the ATO before and we will come to that in a minute.

If I had retired at 45 years with the same number of years' experience, I would have got \$1.35 million on this multiplier factor 14. If I had retired at 55 years, I would have received \$1.25 million, and at 65 years, \$1.15 million. However, my multiplier factor is 9.5 so I get only \$907 000. If members want to have a cry for me they can borrow some tissues from Hon Helen Hodgson. That is what it is costing me for being so old. I should have left when I was a lot younger, and I would be a lot better off. For an ordinary backbencher who has served eight years and one month, the estimated lump sum is \$602 000 less 27 per cent tax, which is \$164 000. A backbencher's contribution and income comes to about 18 per cent or \$110 000 and the Government's contribution is \$327 000. All of us make a big contribution. In any cumulative fund, contributors put in their own money and that accumulates its own income. That is the same in any fund in Australia, so why do we not count that here? I keep saying to people that they should be looking at that. My wife was talking to Hon Muriel Patterson. She said that Muriel was going to take out her contributions in a lump sum, and she asked me why I was not. I asked her why she wanted the lump sum, and she said, "So I can spend it." I said that was why I am not taking it out - members would have to know my wife.

For a period of higher office of eight years and four months the estimated lump sum is approximately \$900 000, of which \$520 000 is the government contribution after only eight years. I served in Parliament for 15 years. The final amount depends on one's age. The person earning that superannuation is under the age of 55. Those figures have all been prepared formally.

I will send Hon Nick Griffiths a copy of this report, which I have suggested he read. In 1989 the Labor Government passed legislation to transfer the Parliamentary Superannuation Fund to the Consolidated Fund to

receive members' contributions and pay all benefits. It sounded like a good idea at the time. I have, legally, all the cabinet submissions. In a submission to the Premier, the Minister for Budget Management stated -

The financial impact of the proposals on this year's CRF budget would be a saving of about \$1.7M.

In other words, the Federal Government would make people pay tax on the Government's contribution to our fund and the earnings of that fund of 15 per cent. It could even have been 47 per cent. There was doubt about the marginal rates. For that reason the Government decided to unfund it. Very soon after that it was found that the State Government was constitutionally barred from paying tax to the Federal Government. That is one of the problems with the superannuation surcharge. Therefore, some months later that entry should have been reversed and the money paid back into funded funds. It is a great tragedy that that did not happen. It was unfunded because the State Government was not going to pay taxes. I have copies of papers here that members may have afterwards. A notional reconstruction of the Parliamentary Superannuation Fund showed that in December 1989, \$8.2 million was paid into the Consolidated Fund. If any other company in Australia had done that, the directors would have been sent to jail. Those funds were being thrown away for spending on wages and cutting lawns. The total surplus that accrued under the previous Government over 10 years amounts to only \$13 million. It was fully spent each year. Of a \$13 million surplus, \$8.2 million came from parliamentary superannuation plus \$1 million for the following three years, which amounted to \$11 million. It all came from members of Parliament. I hope the Government thanked us.

According to the calculations I have here, members' contributions in 1990 were \$400 000. Last year they were \$1.17 million. The usual employer's contribution is multiplied by 2.8, as I said before. An actuarial calculation is made because the figure goes up and down on a four-year scale. John Tonkin introduced amendments to the Act to ensure it was properly funded. When Sir Charles Court introduced the scheme in 1971 the idea was that it be fully funded, that members of Parliament be treated properly, as they should be if they are contributing the funds, and not be dependent on the goodwill of the Government or Treasury. As at 1999 the opening balance would have been \$36 million, our contributions \$1 million, normal employers' contributions \$3 million, and additional employers' contributions \$3 million. The earnings on that fund at 8 per cent, which is the average rate, would be \$4 million. We paid out lump sums that year and pensions at \$2.7 million. We should have had \$44.7 million in the fund in June 1999. Plus or minus - more people have left than was assessed last year - there should be \$63 million in that fund today. That \$63 million has gone into the Consolidated Fund to pay wages, cut lawns, etc. They should be superannuation funds. As I said, if an Australian company were caught using funds that way, it would be considered a terrible thing. I have been trying for a while to make changes, but Treasury would not address the problem. This fund should be refunded. The West State Super is now to be fully funded. Both could not be done at the same time. The Parliamentary Superannuation Fund must be refunded. I am not concerned about my situation; I will be gone in a couple of weeks. It is important that that be achieved for people in the scheme now. Governments can run out of money. The Government must ensure that protection exists for members.

The West State Super scheme is the superannuation guarantee charge of 8 per cent, which I think will increase to 9 per cent in July.

Western Australia was the last State to close off the Gold State lump sum scheme under pressure from Treasury. I think employees are the most important assets we have. I gave notification to close of three months, but most other States gave only one month's notice, which meant people missed out on the scheme. I think that allowed for another 10 000 members to enter the Gold State scheme. Why should they not have that opportunity? When the pension scheme was closed, people did not know what to do. Some were on long service leave and could not make that decision. It would not be my problem that year. It might be someone's problem in 10 or 20 years. Many people had been in the Public Service for many years, but had not joined the Gold State scheme. Following the closure of Gold State, West State Super began, in line with the superannuation guarantee charge, which started with 6 per cent of employee contributions. It will increase to 9 per cent next year.

The earnings on the West State Super scheme are consumer price index, plus 2 per cent. Compared with some superannuation funds in Australia, that is a good rate, but not as good as others. Some States pay CPI plus 1 per cent and some pay CPI plus 4 per cent. Two years ago I spoke to Ray Hughes at Treasury to see how it could be funded. A decision was made at the end of last year. I hope this Government will follow through with that policy. It was a case of borrowing \$650 million, but at least it will be fully funded.

In 1999-2000 we tried to allocate an extra \$100 million. Even with that amount it will take 20 years to catch up because we will be \$90 million behind. We are chasing our tail. I want it to be fully funded. When the Federal Government changes its terrible legislation, people can take their funds and put them into other funds if they wish, which the private sector wants to do. When West State is funded, members opposite and in the other place, Treasury and the Government Employees Superannuation Board should not take any credit for it; it was

my idea. Those people are paid to address these issues, but somehow they do not get around to doing that. To me the employees' needs are the most important.

I found out in the past few months of my ministerial life that West State Super is charging administration fees, as are other funds in Australia. As I had more time to do research, which I love doing, I found out that some people had two funds - one as senior public servants and one as part-time electorate officers. They could not put that money into the Gold State or pension schemes. One person, who is well known to all of us, received an income of \$30 in his fund, but the administration fee was \$46. His earnings were going backwards every year. Then came the member restoration fee of \$16, so he is getting nothing. By the time he is 55, he will not earn anything on that amount. There are many people in that position. Hon Bill Stretch and I know someone in that situation whose contribution is not earning enough.

On 1 July 1995 the Federal Government brought in a ruling that earnings could not be ratcheted backwards. Until then we were taking more away from low-income people than they were earning. The CPI plus 2 per cent might earn \$50, but \$56 was being taken away from that.

I inquired how much money we had charged all the West State Super employees. The membership comprises about a hundred thousand. I suggested looking up the general ledger, which would show a debit for the members and credit revenue. I was told that no-one knew what it was. It had not been done; it had been charged in the ledger but no record had been kept in the books of how the amount had been arrived at.

Michelle Ahearn at the Government Employees Superannuation Board is fabulous. She ran them all through for me and found it was \$7 million. We went through all that pain and made thousands of public servants unhappy for seven million measly little dollars. I asked how much it would cost for the member restoration. They did not know and they had to run through that again and came up with \$3 million. The net figure, therefore, was \$4 million. That is a wink of the eyelid when there is \$2 billion to invest. That is how much the fund can make on its shares in a few seconds, and we were charging those fees to the fund. In the past 12 months I have been trying to get no administration fee charged to anyone in the West State superannuation scheme of the GESB. I will win this one, members need not worry about that; I will not give up. It has \$2 billion of funds of Public Service employees. Treasury said that it was competitively unfair to the private sector. I said I was not worried about the private sector and I would not take over its work and look after it. These are the negative attitudes one gets from Treasury that must be changed and gotten out of the way. After five years, people on a salary of \$20 000 a year get an increase in their fund of 4 per cent. After five years on \$30 000 a year, the fund increases by 6 per cent because it adds on the interest but takes away the administration fee and insurance premiums. We need some insurance policies in place because, after all, they are getting very little growth. On \$50 000 the increase is 7 per cent because the fee is the same whether one earns \$250 000 or \$20 000. However, what Treasury has not discovered - which is what I said to the new backbenchers - is that people earning more than \$75 000 a year, and many are coming into the Public Service now, will be subject to a superannuation surcharge on the 9 per cent contribution. There will be an administration fee, a superannuation surcharge and interest. I believe that must be corrected.

A resolution of the Government Employees' Superannuation Board states that section 38J of the Government Employees' Superannuation Act provides that the Board may deduct an administration fee from members' accumulation accounts on the advice of an actuary. An actuary looks at the figures to see whether they are right or wrong, hard or soft. An actuary does not say that thou shalt do it. Those in the Gold State and pension schemes have no administration fee. Of course, they do not because they are defined benefits. I asked why the people earning the least should be subject to this fee. I was told that that is the way all the other private schemes are doing it. I said that \$7 million was half of the total cost of the administration of the fund. Then I read some garbage about everybody's salary rate and how much the West State and Gold State schemes cost and so on. I said that half of the costs are on the West State scheme. I said if we take out the West State scheme and give it to someone else to manage, all the savings will be cut by half. Treasury said that could not be done and I said that it could be done as half the costs apply to the West State scheme.

I read a lovely comment which stated that, of course, the West State scheme involves mostly the less educated in the community who therefore ask a lot more questions than others and that involves more administration and therefore should be charged more. What a lot of baloney! I have that comment in these notes in writing. This is how they are being treated and this must change. I have tried hard - too hard - to push through changes in the caretaker government mode, but something must be done about this and I am still working on that to get it right. It will not cost us anything.

I wrote a letter to the Auditor General asking him to tell me why the GESB was not bringing in this revenue for the West State superannuation scheme; from 1 July, 1993 it should have been \$25 million to \$30 million. Last year it was \$7 million. I asked him where it was in the financial accounts. He sent an accounting person to see



me who thought he could snow me. I told him that I knew what I was talking about, so I threw him back in his box and sent him away. However, the Auditor General missed it in the audit. He should have shown a contingent asset of \$25 million to \$30 million that has been charged to all these employees. I do not care which way it is done, but it has either been forgotten or left out, but it should be retrospective back to 1 July 1993. His office has done a bloody awful job. It does not show in the books of the super board nor in the books of the Consolidated Fund. This is a no-no. It is a mystical number. I reckon we could write it off and do the right thing by everybody. At about \$50 for eight years, it could amount to \$400 or more. Something should be done about it. I am still waiting for the Auditor General to answer the letter. I asked him why he would not admit his mistake but he is still trying to work out a way to show he did not make a mistake.

The West State scheme must be fully funded. I believe that is under control now, although it has taken Treasury 18 months to make up its mind on the matter. It should then get rid of the administration fees which at \$3 million or \$4 million is nothing out of a roughly \$2.5 billion investment fund. The actuary told the GESB that in her calculations there are good reserves in the West State scheme. She said they could handle the member restorations because there were good reserves there and the \$3 million could be absorbed. This is what we are dealing with and it worries me.

I shall mention a couple of other ways in which I am trying to leave the place in a better position, something that has been said previously about 10 times but I will tell members again. Members can thank me for their government-provided cars. Only Victorian and Western Australian parliamentarians have cars provided by their Government. I am not pleased that the tax laws on cars owned by members have changed. Members who have government cars should, therefore, take care of them. I have always enjoyed going to the strangers' bar and seeing the lovely *Landscape* paintings in there by Philippa Nikulinsky. I rang Syd Shea and said that he had all these wonderful paintings on the front of the *Landscape* magazine. I thought he had bought them from the artist but the Department of Conservation and Land Management was able to buy them and put them up in this place. They must be worth about \$25 000 and made a great difference. It is a good contribution as there were four very ordinary paintings in there when I used to take ambassadors for lunch and drinks.

I went to the Observatory one day and saw that the place was run down and needed a bit of money spent on it. I asked Syd Shea whether he had guides there like at the zoo and the museum and he said no. As a result, guides now take people around, with morning and afternoon teas in the café and tours at night; that leaves the place better than how we found it.

I shall finish with a couple of other small matters. I may finish on time, which is unusual for me. We had a problem with accrual accounting. I made the Treasury go towards accrual accounting as it was not prepared to make the decision itself in the event that it failed. It would have blamed it on me if it did not work out. The Government then had to bring in accrual accounting for annual leave and long service leave. There was a lot of criticism about how hard it was to get the correct figures. Then the Ministry of the Premier and Cabinet came up with a crazy idea that everybody should reduce their leave by 10 per cent as it did not know what the relativity was in any department. Some departments could reduce it by 20 per cent and in education and health it would make no difference at all. I got the figures one day and we looked at them to see how much each department had. I forget how many millions it represented but it was something like \$700 million in 1998. I asked to see the relationship of annual leave and long service leave to gross salaries for the year because that had a commonality for the year although it included some payments being made. As a result of that we found that the Education Department and the Health Department had the best ratios of the lot. Because of the type of work, such as nursing, annual leave and long service leave are taken as they come up and teachers often take study leave and so on. Annual leave for the Education Department was, therefore, 5 per cent and long service leave 22 per cent, giving a total of 27 per cent. Annual leave for the Health Department was 10 per cent and long service leave 9.62 per cent, a total of 19.64 per cent. The figure for Commerce and Trade was 67 per cent; for the Great Southern Development Commission, 54 per cent; and for the Industrial Relations Commission, 66 per cent. That is a liability. The Pilbara Development Commission figure was 55 per cent and the Department of Transport figure was 62 per cent. That is a large operation and the total salary bill was only \$13 million, but its liability was \$8 million. The figure for the Office of Water Regulation was 97 per cent. That situation has been remedied and we now have a workable formula. They are the processes that needed changing, and more needs to be done.

The Minister for Housing should thank me as architect of the "Max Evans report", which is submitted by Homeswest managers. They were scared it would not work, so they can now blame me if it does not. During the 1993 election campaign I visited a big block of flats in East Perth. Later I asked Greg Joyce what profit Homeswest made from the building. After waiting in vain for three months for a response, I rang him and asked what was happening. One month later, he admitted that the department did not know what income was being earned. I was flabbergasted that Homeswest did not know how much it was earning from a \$10 million block of flats with wonderful views of the park. I pursued the issue and received a schedule after six to nine months. I

queried what would be done with the figures, but the officers concerned did not know. I suggested that they do the calculations and arrive at a unit cost. After doing so, they found the repair and maintenance bill for some places was two or three times greater than that for others. Rorts were being perpetrated - people were paying too much for gardening and so on. As a result of this process, Homeswest saved \$2 million.

Homeswest has about 40 000 properties in this State. I asked the department to establish whether a profit or loss was being made on them, but I was told that it could not be done. Details about maintenance and rent could be provided on an individual property basis, but the information could not be amalgamated. After some time and work, information can now be provided about every property in the nine regions of Western Australia. That information includes what rent is being paid, what should be paid, maintenance requirements, rates and taxes and so on.

Hon Ken Travers: It still won't tell the Opposition.

Hon MAX EVANS: The information is there.

It is interesting to note that Homeswest has two adjacent, identical houses in Broome and the tenant in house A is paying half the rent being paid by the tenant in house B. The repair bill for house A is \$3 000 and house B has required no repairs. I suggested that the tenant in house B should get a box of chocolates each year. The department did not know which were the good and bad tenants. An exception report is now compiled of all the houses with a repair bill greater than 50 per cent of the rent - some have bills amounting to 80 and 90 per cent of the rent collected. Strangely, it appears that the houses occupied by those paying lower rents need more repairs. The minister should thank me for initiating that report because before I did so the department could not compile that information.

Few departments had proper financial management. Some of them still had an end-of-year balance to spend, and they would wildly spend. That is terrible. All the agencies should trade on a four-weekly basis. If that were done, the wages bill - which is 70 per cent of the expenditure - would be the same every month. All expenses could then be grouped each month and compared with the budget. I failed in that regard. The Auditor General, Westrail and the Water Corporation work on a four-weekly accounting basis. Much more can be done.

I was not looking for a job when I came into this place. I wanted to improve the State's finances and I believe I have achieved much - although I could have done much more. I believe I have left the campsite better than I found it.

[Applause.]

**HON NORM KELLY** (East Metropolitan) [3.25 pm]: I also support Hon Ken Travers' motion, but I will not get the opportunity to vote on it. I appreciate that this sitting week gives me the opportunity to make my valedictory speech - although I am making it about four years earlier than I had planned to make it. I am disappointed and sad that I will be leaving this House and my role as a parliamentarian in a couple of weeks. The electorate made its feelings about the Australian Democrats very clear on 10 February. That message has been heard and changes have been made within the party, most visibly with the change in federal leadership. More importantly, changes have been made within the party that convince me that we will return to a stronger position in the coming months and years.

I leave this place pleased with and proud of the work that I have done for my constituents in the East Metropolitan Region and for my party. I am aware of the importance of being one of the first two members of the Australian Democrats to be elected to this Parliament. I have worked hard for constituents throughout the State in my work in the various portfolio areas for which I have been responsible.

Part of our job that is unsung and out of the public eye is committee work. Members have previously spoken about the committee workload. Unfortunately that role does not get the public coverage that it should. The committees are the engine room for what we do in this place - they provide thorough scrutiny of legislation, develop ideas and address various issues. I have been pleased to contribute so much of my time to committee work. I am a member of the Standing Committee on Ecologically Sustainable Development. Four of the committee's five members were newly elected and Hon Murray Criddle was the elder statesman. It was an inexperienced committee and was often unjustly maligned for the work it did. The focus on forestry issues meant that much of the other work done by the committee was missed. In the first year or two, a Bill dealing with waste disposal was referred to the committee. We worked on that Bill within a tight time frame and returned it to the House with recommendations that attracted the support of all parties and the bureaucracy that had to work with the legislation.

I have also worked on three select committees of privilege, which assisted my understanding of how members should behave. I have benefited from the insights that participating in those committees has afforded me. I have also participated on the Legislation Committee and the Public Administration Committee.

I am disappointed that I will not be part of what lies ahead in the coming months and years. It will be a very exciting time in this Chamber. Not only is there a new Government but also there will be fresh ideas and a new agenda for legislative reform, which I would have liked to have been part of, particularly the areas of social reform, electoral reform and the reform of parliamentary procedures in this place. Effectively, Hon Helen Hodgson and I made a very positive contribution to this House in the name of the Australian Democrats. We have extended and furthered the work and the reputation that our federal colleagues have developed over the past 24 years in the Senate, in the upper House in New South Wales, in South Australia and in Tasmania.

Someone suggested that I make a few short comments on each of the pieces of legislation I have dealt with over the past four years, but I will save members that pain. I will comment on a couple of pieces of legislation more by way of example than as the most critical pieces of legislation I dealt with on behalf of the Democrats. The first piece of legislation, which is timely, sought to amend the Health Act to ban smoking in enclosed public places. It was dealt with in December 1998. At that time, I put forward amendments which would have brought about a total ban on smoking in public places and which would have come into effect at the end of 2003. The purpose of that was to allow publicans and the owners of nightclubs and the casino sufficient time to either change their practises or convert their businesses to reflect the change in legislation without having a deleterious effect on their businesses. However, now we have allowed the judicial system to overtake the parliamentary system. Now we will probably need to play catch-up to bring forward the necessary review of the existing regulations, which the Democrats helped put in place, and fast-track the total ban that I strongly believe should have been put in place three years ago, even if it did not take place for that transitional period.

Another area of government legislation is the prostitution legislation, which was dealt with at the end of 1999 and in the first few months of 2000. Very good legislation has been drafted for the proper regulation of prostitution in this State. That legislation was drafted by the previous coalition Government. The legislation went into the party room, but it did not come out. I have looked at that legislation, and even though it is not what I would call ideal, it is quite progressive and allows for the proper regulation of prostitution, which is required in this State, rather than the idiotic and crazy system we must suffer with at the moment. I am pleased that the ALP Government is committed to reform in that area and I encourage it to look at that legislation as a base model. The Democrats also did extensive research and consultation, which had a great deal of support within the industry as a commonsense way of regulating the industry. The Australian Democrats have long stated that prostitution regulation should be regarded as a health issue, not a criminal issue, and in recent months the ALP has finally said the same thing. The hypocritical part of it is that it is not the Minister for Health, but the Minister for Police, who has made these statements, and she has responsibility for these reforms. Even though the ALP may say the nice words, its practices are yet to change. I encourage the ALP -

Hon N.F. Moore: You will be back again before it deals with this issue.

Hon NORM KELLY: I hope the ALP deals with it in the next four years, but if it does not, I am sure we can work on it when we return.

During my time in this place I have introduced three pieces of legislation for the Democrats. I would have liked to have introduced other pieces of legislation, but because of the inability to progress private members' business, it was not a good practice to dedicate resources to the drafting process. The first Bill of mine that was dealt with in this place was the Liquor Licensing Amendment Bill, which was designed to allow the small business section of the liquor retailing industry the ability to be prosperous and not to come under threat by the domination of the major retailing chains. Reassuringly, that Bill had the support of all parties in this place. All five parties supported that legislation and it went through this place unanimously and was transmitted to the other place. Of course, we do not have the ability to progress things in the other place and it was subsequently buried there, never to come up for debate. In the response I received yesterday from the Minister for Racing and Gaming, I discovered that the ALP position of supporting a cap on the number of retail outlets for liquor retail licence holders has changed. However, it is a change that the ALP has made silently, without notifying the small business sector. I am aware that it did not include this in the literature it sent to the small business sector during the election campaign. It is very convenient for the ALP to say now that it no longer supports the small business sector in this area. I am smart enough to realise the forces and influences behind the Minister for Racing and Gaming to ensure that no cap is put in place. However, with a current review of the Liquor Licensing Act, hopefully there will be a way to ensure that the major retail chains can go about their business in an ordinary and profitable way but which will also allow diversity for all retailers.

The second Bill that was dealt with was the Metropolitan Region Town Planning Scheme Amendment Bill, which did not have the same support, but it had sufficient support to pass through this place in August last year. That Bill sought to improve disallowance mechanisms for planning proposals. Given that the ALP has committed to a full review and reform of planning legislation, and it has expressed its continued support for this legislation, I expect this will be incorporated in the reform of the overall planning legislation.

I introduced one other Bill into this place. Unfortunately, no time was allowed for debate on what I believe was the most important piece of legislation I introduced into this place; that is, the Voluntary Euthanasia Bill. Despite the Bill being in the parliamentary domain for more than three years, the fact that there was no way to debate it is a real travesty and a scar on the way this Parliament operates. I will speak later about parliamentary procedures because the question goes beyond that of voluntary euthanasia. The fact that there is a process allowing members to introduce and second read a piece of legislation but not have that legislation debated needs to be changed. It will be interesting to see whether the Labor Government is willing to allow more time for debate on opposition or cross-party legislation in the years to come. I appreciate the emotive nature of this issue and the strong feelings held on both sides about the many aspects of voluntary euthanasia. However, to my mind that is all the more reason that the variety of views and depth of feelings should be brought out in this place. We are meant to reflect the ongoing, wide community debate, yet in the past few years a head in the sand approach has been adopted which has allowed that debate to go on in the community without its being reflected in this place.

Unfortunately, Hon Cheryl Davenport was not able to progress her abortion reform legislation until criminal charges had been laid against a medical practitioner. I am concerned that the same is about to happen with voluntary euthanasia legislation. I would like to see any debate take on the broader issues of medical care of the dying and expand beyond the issue of active voluntary euthanasia to encompass passive voluntary and involuntary euthanasia. It is accepted by common law in this State and is regularly practised, yet it does not have the backing of legislation. The legislation should embrace such matters as the medical powers of attorney and the provision of palliative care services in this State.

We should move on and continue the debate in Parliament that was commenced by Ian Taylor in the mid 1990s, with the introduction of his Medical Care of the Dying Bill. We should embrace the draft legislation on medical care of the dying, which the previous coalition Government was once again unable to get through the coalition party room. Although that draft legislation has probably not been widely distributed, it has been circulated with limited distribution. We should embrace all those various aspects of medical care of the dying in a thorough debate in this place, so we can try to catch up with the progress of medical technology and all the other issues surrounding the care of the dying.

I am encouraged that the voluntary euthanasia legislation that I introduced into this place will again be introduced this year, whether or not it is in the exact form as my Bill. I intend to continue my pursuit of legislative reform in this area from outside this place. I am also encouraged by the Premier's comments that he supports debate on such legislation.

I will be sad not to be part of the debate on electoral reform when it occurs in this place. I appreciate that the Government's agenda includes electoral reform as a priority. The Australian Democrats for all of our 24-year history have championed the cause of one vote, one value. I appreciate that the current Government is committed to that principle. Of course, we will also be applauding loudly when the Australian Labor Party embraces the principle of one vote, one value for its own party processes and not merely for the voters of this State. However, I believe we might be waiting a good deal longer for that form of democracy to enter the Australian Labor Party.

[Continued on page 145.]

*Sitting suspended from 3.45 to 4.00 pm*