

Mrs Cheryl Edwardes; Mr Jeremy Edwards; Acting Speaker; Mr Larry Graham; Mr Bernie Masters; Mr Brendon Grylls; Mr Max Trenorden; Mr Mike Board; Dr Geoff Gallop; Mr Rob Johnson

ADDRESS-IN-REPLY

Motion

Resumed from an earlier stage of the sitting.

MRS C.L. EDWARDES (Kingsley) [2.43 pm]: I was earlier talking about increased taxes and charges under this Government. I referred to the proposal to extend the building and construction industry training fund levy to the mining and resource and agriculture sectors. This, of course, is a way to collect funds and hand them over to the union movement, ostensibly for the training and skilling of people. One reason this levy was never extended to the mining and resource and agriculture sectors was the impact it would have on the industries involved in those two sectors. Another aspect of the proposal is to extend the levy to the government sector, which would result in a considerable increase in the cost of capital infrastructure. I do not know whether that has been included in the budget.

I will use the mining and resource sector as an example. It is estimated that the training levy will add an extra \$1.8 million to the cost of the proposed methanol project. That is a huge increase. Does the Government know what that is likely to do to the viability of that project? That is a critical issue. It will attack the viability and the level of investment that can be attracted to those resource projects in the mining sector. Last week we had that fantastic announcement about the liquefied natural gas project. What will happen with the LNG project if a training fund levy is introduced? The mind boggles at the effect it will have. The Government cannot exclude one project from the levy and attack the methanol project with a tax of \$1.8 million.

One of the greatest threats to the LNG project is demarcation disputes. The 1970s and 1980s in the north west region saw huge demarcation disputes that undermined our industries and Western Australia's reputation as a reliable supplier into the future. It would be disastrous if the LNG project were subject to potential demarcation disputes. I am saying it is a potential threat, but it is likely to be a probable threat. *The West Australian* of 10 August reported -

As unions were toasting the Chinese gas deal yesterday, a turf war over membership on the Burrup Peninsula could be looming.

The Australian Workers Union and the Australian Manufacturing Workers Union cover those sites under an excellent agreement which, I understand, has worked pretty well. However, the bad boy of the union movement, the Construction, Forestry, Mining and Energy Union, has said there should be a better choice of unions on site. A flag is already flying that the CFMEU now wants a piece of the action of the Australian Workers Union and the Australian Manufacturing Workers Union.

The hearings of the Cole royal commission in Victoria highlighted demarcation disputes that had nearly caused investment in that State to be withdrawn. Saizeriya, a Japanese company, almost abandoned a \$40 million capital investment at Melton as a result of protracted, unlawful industrial action. There were stop-work meetings, constant delays and all the issues that are involved in demarcation disputes. The AWU, the CFMEU and other unions all wanted a piece of the action. The dispute ended up in the Premier's office. The Japanese company had wanted to prepare food in Australian plants. The company's original plan was to build a single plant with a further four plants to be built on the site over five years. Saizeriya runs something like 400 Italian restaurants in Japan. The site works commenced on schedule, but had not proceeded far when they ceased due to industrial action by the CFMEU work force. The CFMEU was seeking a mixed metals agreement for the site. Those negotiations continued until the end of May, when a heads of agreement was signed between the Japanese company and the Victorian Trades Hall Council, the CFMEU, the AWU and the AMWU. One would think that would have been satisfactory for all the unions. However, it did not stop there. During the early stages of the construction phase, the AMWU was not in a position to exert any industrial pressure. However, as the construction progressed, large quantities of fabricated steel were needed. The preparation and delivery of that steel was subcontracted to Alfasi Steel Constructions Pty Ltd. What is amazing is that although the Alfasi work force contained many members of the AMWU, all of a sudden the AMWU organiser declared Alfasi black and banned it from working at the Melton site. Stop-work meetings were held, and the bans continued.

The Japanese company then decided, after this had been occurring for several months, that it would withdraw from Australia totally. It conveyed its concerns to the Victorian Government, and the Victorian Government decided that the best way around this problem was, firstly, to provide for an industrial relations consultant to be on site. The bill for that consultant was in excess of \$100 000. Obviously the contractors and subcontractors were the ones who would have to pay that bill. The Government decided, secondly, to provide an experienced schedule letter of the work to be carried out; and, thirdly, to provide substantial financial assistance to help meet the expenses that the Japanese company might incur as a result of future industrial relations strategies, in order to ensure that the completion date was achieved.

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The company that was appointed as the industrial relations consultant was Peregrine Management Group, and it rendered an account for in excess of \$126 000. The agreement that Peregrine obtained with the work force was, firstly, to employ three workers who were not needed on the project but whom the unions wished to have employed; namely, an electrician and two plumbers. However, there were no vacancies on the site for an electrician and two plumbers. This goes back to the 1970s and 1980s, when companies were asked to employ people for which they had no work. In fact, these employees kept on working for other companies with which they had employment. Therefore, the Japanese company was paying for these workers to work on other projects with which it had no contact. Secondly, this industrial relations firm organised for the employees of an asphalt company to be dual-ticketed. Thirdly, it agreed to provide a barbecue lunch on site on the Wednesday before Easter 2001. Fourthly, it agreed to provide a digital videodisk player to be raffled at that barbecue, with the proceeds to be paid to the CFMEU fighting fund to support its opposition to the work of the Cole royal commission. That is absolutely amazing! Therefore, the Victorian Government has not only put its hand in its pocket on a consistent basis but also has required the company to put money into the unions' pockets in an endeavour to get this project completed.

All the things I have mentioned resulted from a demarcation dispute. If that were to occur with the LNG project on the Burrup, Western Australia would be in real trouble. I suggest this is the biggest issue that will confront this Government as a result of the labour relations legislation that has just been passed by this Parliament. That legislation permits demarcation disputes. The new turf war for the unions will obviously be the LNG project. I hope that does not destroy our credibility with the Chinese, because they can walk away from the project, and that is what we do not want. The Government should not go down the path of the Victorian Government and put in place an industrial relations consultant who does a deal in which people are employed even though there are no vacancies on the project.

I turn now to law and order. The electors of Kingsley are well served by the Joondalup regional Police Service, which is doing a fantastic job. Superintendent Calderwood is superb, and he is going all out to ensure that the Joondalup regional Police Service is responsive to the concerns of the electors of Kingsley. However, the businesses in my electorate are sick and tired of being the repeat targets of thieves and vandals. Reports are often made to my office by eyewitnesses, but the police in that region are under a great deal of pressure due to a number of factors and cannot always respond as quickly as those businesses would like. One of those factors is that when the radar exercise was put in place, the Police Service in my region lost up to 40 FTEs. The Joondalup police district has 260 FTEs. The Joondalup region is a huge area of about 817 000 square kilometres, with 231 000 people. That is a ratio of one police officer to 888 citizens. If all of those 231 000 people were living in high-rise buildings, etc, it would be a different issue. However, they are spread out over 817 000 square kilometres, and that makes it difficult for police officers to get from one end to the other. The police officers in that region do a fantastic job, but they are under enormous pressure and cannot afford that loss of 40 serving police officers.

The Joondalup region is growing, and we have heard from the member for Wanneroo about the sorts of pressures that it is facing. It now also has the new area of Brighton. The Clarkson Police Station cannot possibly look after the Brighton area as well. The Joondalup region also covers the end of Marmion Avenue, where young people get in their motor vehicles and go up in the sand dunes and then think the local residents will be good for a bit of fun too. The developers of Brighton have put in place security personnel, and they have a fantastic project, but at the end of the day the police are being put under enormous pressure. Just as that region requires more schools and more beds at the Joondalup Health Campus, it also requires more police.

I turn now to identification theft. I mentioned that matter when we were debating the bikie legislation that we passed earlier this year. ID theft is one of the fastest growing crimes in the world today. ID theft occurs when someone steals another person's social security number or birth date and uses it to create a false identity. It is then only a short step to using that false ID to obtain credit cards and take out loans, leaving unknowing and unsuspecting victims with an enormous debt. Visa Card and Master Card fraud alone tops \$1 billion a year in the United States. The problem is extremely serious and needs attention. I made a recommendation when we debated the bikie legislation that we create a separate area of ID fraud and provide the resources to start tackling that form of modern crime.

Another modern crime that is also of serious concern is drink spiking. Drink spiking in the Northbridge and Fremantle regions has been the subject of some media coverage. Unfortunately, it is happening in other areas. Young girls, in particular, should not think it is happening only in Northbridge and Fremantle. It is a major issue in the northern suburbs - in my electorate - and at the Hillarys marina in the electorate of the member for Hillarys. The subsequent drug rate relative to drink spiking is serious. All our young people should be aware of that. The fact that one drink spiked with benzodiazepine can make someone look as though she has had 10 drinks demonstrates how potent it can be.

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Members may not yet have seen it, but the Police Service and Liquor Industry Council of Western Australia have published brochures and little pocket cards to help young women. I encourage all members to get hold of the brochures and cards, to have them available in their office and to send them to local associations and groups. They should also get the police along to talk to those groups. It is a very serious issue. The clear message that must be sent to our young people, particularly young girls, is that they should buy their own drinks, watch them poured, not let strangers buy them drinks and never leave a drink unattended. Our young people are very good at watching out for their friends, but they need to be reminded of the importance of doing so. I encourage all members to get involved in this campaign to ensure that our young people are protected.

I will raise another issue that is also very important. It relates to the union movement, but is essentially an attack on the level of confidence one can have in ministers who belong to unions. We have seen the newspaper debate about whether the Labor Party should have a 60-40 union representation rule. The Wran report recommends that the ratio be 50-50. I do not think that matters. The issue is cabinet members who are union members and the impact that has on their decisions. I will highlight a couple of examples. The Press recently reported a situation involving the Minister for Housing and Works, Hon Tom Stephens, and the letting of a contract to Doric Constructions Pty Ltd to build the Mindarie Senior High School. I understand that the minister is fairly closely aligned to the Construction, Forestry, Mining and Energy Union. The contract has been let to Doric Constructions, which submitted the lowest tender and was the preferred tenderer. I understand that the minister was contacted about the contract by Kevin Reynolds, the secretary of the CFMEU. The gist of the conversation is unknown. The minister was expected to appear before the Royal Commission into the Building and Construction Industry about this issue, but I understand that all the documents were forwarded to the commission.

Questions have been asked about the fact that the signing of the contract was delayed by six weeks. Why was it delayed and why did the minister's office and the minister intervene? What contact did the minister have with Kevin Reynolds? Who contacted whom and how many conversations took place about the awarding of the contract? What was Mr Reynolds' response? Newspaper reports suggest that the minister would have us believe that there was no response. If that is true, why was the signing of the contract delayed for six weeks? The issue is the perception of a conflict of interest between ministers making independent decisions and the union movement putting pressure on ministers to make decisions. The British Deputy Prime Minister, Rt Hon John Prescott, and the Leader of the House of Commons, Rt Hon Robin Cook, resigned their union membership as a result of such pressure. They said - rightly so - that they would not be pressured by the unions into making decisions that were unacceptable to them. They gained a great deal of credibility and demonstrated integrity in doing so. The Labor Party's real challenge is to represent the community rather than the union movement in party forums. That is particularly important when one remembers that the rate of union membership in the private sector is only 15 per cent.

Kylie Wheeler, a young woman from my electorate, won a silver medal in the heptathlon event at the recent Commonwealth Games. I have seen her grow from a young girl into a very confident, skilled young lady. It was an absolute pleasure to see her win, particularly because I know her family.

Mr P.G. Pendal: Her mother once worked in a very good electorate office south of the river.

Mrs C.L. EDWARDES: Her mother is an exceptional woman. She should be awarded a gold medal. She has brought up two wonderful children: Kylie and her brother, who has a severe disability. Her husband tragically died many years ago as a result of a massive heart attack. To see Kylie achieve in that way is phenomenal. My heart goes out to Kylie and Kathy. It is wonderful to see them experience such a milestone. It is nice to see families like that achieve in spite of such adversity.

Kylie also ran in the heats of the relay event. Although she did not run in the relay itself, she received a gold medal. That is phenomenal. I congratulate her and her family on such an outstanding performance. She has excelled.

Amendment to Motion

Mrs C.L. EDWARDES: I move –

That the following words be added to the motion -

but regrets to inform Your Excellency that the State Government has failed to govern in the interests of Western Australians in relation to the current water shortages.

MR J.P.D. EDWARDS (Greenough) [3.08 pm]: We have been told there is a water crisis. I do not believe that, nor do I believe there is a water shortage. The Government is indulging in a deliberate propaganda campaign to cultivate a sense of anxiety about our water supply. In other words, we have a manufactured water crisis.

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Obviously, the use of low dam storage levels in a drought year while making no mention of Perth's ground water capacity is deliberately designed to induce feelings of anxiety about our water supplies, which, of course, are a necessity of life. Having said that, I do not want it to be reported that I am saying we do not need to be aware of the water problem. It is recognised that water is a very precious commodity and the entire State has a role in, and is responsible for, conserving water. However, I maintain that the Premier's water crisis is a manufactured crisis. It did not take long for the crisis to flow on to an increase in the price of water. It would be unconscionable for a Government to deceive people, particularly over an issue such as water and to deliberately cultivate a sense of anxiety to convince people to pay higher prices if necessary. That would lead me to be suspicious about where the funds drawn from that higher price would go. A cynical person might believe that they would go into the Water Corporation's bottom drawer, which the Government could then use to fund some of its unfunded projects in the years to come. Perhaps the water crisis is a Labor hoax. It has been splashed across the headlines of our daily newspaper for the past week or so. The Premier has spoken on radio and alarmed people. He spoke, I think, on Paul Murray's program on 6PR, and on the *Drive Show* with John McNamara. In fact, I think he told the community that we will pay higher prices, which is interesting, because I thought higher prices was one of the ideas to be considered by the community under the water conservation strategy. The Premier seems to have jumped the gun on that. I am sad to note that letters to the editor in *The West Australian* and radio talkback callers have listened to what the Premier has had to say and, to some degree, are already accepting the fact that water charges will increase. I noted that Paul Murray asked people to say yes or no to whether they would pay more for their water and I think that the answer was a resounding no.

Dr G.I. Gallop: It is very dangerous to base your arguments on things said on talkback radio.

Mr J.P.D. EDWARDS: I take the Premier's point. I was not implying that that was the case.

Mr R.F. Johnson: I think Paul Murray asked listeners to phone in if they were prepared to pay higher water charges and he waited all day for someone to phone in and say yes.

Mr J.P.D. EDWARDS: He did not get anyone, did he? I reiterate that a cynical person would say that the additional funds received from an increase in water charges would go into the Water Corporation's budget. Perhaps I need say no more on that.

I remind people that if the proposed water price slug occurs, it will be in addition to millions of dollars in higher taxes and charges that have already been drawn from the community by the Government, despite its claim of honesty and that its responsible, fully-costed election promises would not require any increases in taxes or charges. What have we seen? We have seen increases in taxes and charges, on which I have spoken before.

The essence of perhaps what I will not call a lie, but a mistruth about a supposed water crisis is based on three misleading perceptions that have been deliberately promoted by the Government, and the Premier in particular. The water crisis story being peddled to the community is, firstly, that there is a water shortage; secondly, no prior planning has been done; and, thirdly, the previous Liberal Government failed the community. In the 15 minutes I have, I intend to show that that is not the case.

Dr G.I. Gallop: Are you saying we do not need any long-term measures?

Mr J.P.D. EDWARDS: I did not say that. If the Premier listens I will tell him.

Is there a water shortage, thus a water crisis? It is a misleading notion to say there is a water shortage. Since about 17 April, the Premier has been feeding us worse and verse on the water shortage. I think he was shown on television at the Canning Dam urging people not to become complacent because we still have a water shortage. In Parliament he said, "I remind the House of the seriousness of the water supply situation facing Perth and why a comprehensive water strategy is necessary", "We have had a drought and we have a crisis", "At the moment we have a major crisis here in Perth" and "The Government is committed to addressing the water shortage in Western Australia." They are all good statements. On 19 July the Premier's press release indicated that on 19 July the Government released details of a series of community forums on Western Australia's water crisis, in which the Premier said that we were facing an unprecedented crisis that requires all of us to work together.

The Premier's press release on 3 May was headed, "The community rises to the challenge of the water crisis". He went on to congratulate the community for its response to the water crisis. In making his point about a water crisis, the Premier has gone unchallenged. The words are crystal clear. No qualification is needed. A declaration was made by the Premier that we have a water shortage and thus a water crisis. Such a message seen as an honest appraisal coming from our Premier, has understandably raised concerns and some anxiety in the community over our water supply. Let us look at our supposed water shortage in a calm, measured and factual manner. For a start, we can dismiss the propaganda surrounding our dams. Obviously water levels in our dams will be low as a result of a drought. It would be odd if they were not.

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Since about the 1960s the issue of water supply options to meet our future population-driven growth in water demand, has been worked on diligently by many people in the Water Corporation, the Commonwealth Scientific and Industrial Research Organisation and the Geological Survey Office and by private hydrologists etc. In a paper called "Hydrogeology and groundwater resources of the Perth Region, Western Australia", W.A. Davidson said that there are over 300 published reports relating to hydrogeology, groundwater resources and groundwater management within the Perth region.

Our diligent scientists, hydrologists and other assorted professionals have known, and in fact it is readily found in many public records, that there is a vast, easily accessible source of fresh water to meet our needs well into this century. That source is the ground water that lies below the coastal plain stretching over thousands of kilometres from Geraldton to Augusta. Members can find a lot of interesting information on the Water and Rivers Commission web site under the heading "Water Facts". Sheet 9 indicates that the annual renewable amount of ground water in Western Australia's sedimentary basins that is fresh enough to contribute to our water supplies is estimated to be about 2 500 gegalitres a year, of which approximately 1 400 gegalitres is in the Perth basin. Despite the fact that water consumption in Perth is approximately 300 gegalitres per annum and that the estimated renewable fresh water volume is 40 times our needs, we still hear talk about a crisis. Those figures destroy the Premier's claims that we have a water shortage. Among other information to be found in the various facts sheets is the following -

Recharge to the aquifer may be increased to around 600 GL per year by adopting appropriate management techniques. These include utilising groundwater so that more water enters the aquifer instead of running off into drains and out to sea.

In the Perth region, part of the Swan Coastal Plain, the superficial aquifer is on average about 50 metres thick . . . Below the superficial aquifer there are a number of confined aquifers, the largest and most extensive of which are the Leederville, which is typically several hundred metres thick, and the Yarragadee, which is often greater than 1000 metres thick.

I think it goes down to 2000 metres. To continue -

The Gnangara mound stores about 19 500 million cubic metres of water - over 200 times the capacity of Canning Dam.

The abundance of fresh water available is not a secret confined to the Water and Rivers Commission web site. In fact, some Labor members in this House, especially the Minister for Consumer and Employment Protection and the member for Peel, would be well aware of the abundance of fresh water available to us from ground water sources. Those two members sat on the Select Committee on Metropolitan Development and Groundwater Supplies, along with the members for Hillarys, Darling Range and Murdoch.

Mr J.C. Kobelke: I served on that committee and found it very informative. However, I am not sure what your point is that I should understand from being involved with that committee.

Mr J.P.D. EDWARDS: If I can continue, perhaps the minister will understand. Both Labor members sat on that committee, which obviously looked at water supplies. They would be aware of the water supplies from the Yarragadee aquifer, which I have just mentioned.

Mr J.C. Kobelke: The two issues that the committee dealt with were the importance of water supplies and the threat to them.

Mr R.F. Johnson: The committee was also told that there was enough water under the Gnangara pine plantation to last us 80 years.

Mr J.P.D. EDWARDS: That is the point I was making; that is, fresh water is available. The minister sat on that committee. The resource that helps keep Perth attractive is ground water. I think I am right in saying that no other city in Australia sits on as large a water resource as Perth.

Several members interjected.

The ACTING SPEAKER (Mr A.J. Dean): I remind the member for Roleystone that he is not in his seat.

Mr J.P.D. EDWARDS: I will repeat that, Mr Acting Speaker. I think I am right in saying that no other place in Australia sits on top of such a huge water resource as Perth. That makes Perth unique. The combination of favourable geology and climate has resulted in those large ground water resources occurring in our region.

The select committee report also states -

In the Perth area the superficial aquifer is the major unconfined aquifer, which is recharged by rainfall. Rainfall recharge has been estimated to be 343 million kL per year and total storage in the aquifer has been estimated to be 25.6 billion kL of groundwater.

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For those members who are not familiar with the measures, the total storage in the superficial aquifer alone is 25 600 gegalitres, or almost 1 000 times our annual consumption. Of course we cannot extract all of that water, and we cannot do it willy-nilly either. Clearly we need to be careful. However, it shows that there is an abundance of water available, so it makes some mockery of what the Premier and the Government are telling us about a water shortage. We are talking only about the superficial aquifer at this stage. There is also the Leederville and Yarragadee formations, which lie further below.

The select committee's report also contains some interesting information that could show up the Government for its misinformation and propaganda campaign. As I said before, both the Minister for Consumer and Employment Protection and the member for Peel were members of that select committee. Obviously they are aware of that water resource.

Has there been any planning in the past? Of course there has been planning in the past. That was the question the Premier directed at the previous Government. There has been planning since the 1960s and through the 1970s and 1980s. Maybe there was planning earlier than that, but the history I have found goes back to the 1960s. The Premier clearly implied that there has not been any planning. I reiterate my point: it is a mistruth to say that that has been the case.

Did the previous Liberal Government put all its eggs in one basket by putting money into dams? It did not. That is not true. Certainly the Government of the day put money into dams, particularly the Harvey Dam, which is now filling up to some extent from the rain we have received. That is another area of water supplies that needs to be kept in mind. The other day the Leader of the Opposition said that the run-off into dams is an area of concern. That should be addressed. It is all very well to take an environmental view, but we can balance the environment and the needs of the community. If it is a matter of getting sufficient run-off into dams, that balance needs to be found.

The investment of the previous Government enabled the Water Corporation to increase ground water supplies for Perth from 72 gegalitres in 1992-93 to 163 gegalitres this year. The extra 90 gegalitres of ground water is the result of the biggest ground water investment undertaken in our State's history, and it was done by the Liberal Government of the day. I have some tables and charts, which I will not wave around at the moment. However, this shows that the Premier's condemnation of the previous Government is a mistruth. The previous Liberal Government put in place an action plan, and this Government would be better served by continuing those strategies. During the 10 years that the Labor Government was previously in power, very little was done about dams and water supplies.

I end with the point that there is no water crisis. I know there are plans in hand. I do not see any justification for increasing water prices. Ninety gegalitres of water goes out to sea every year from the Woodman Point and Beenyup waste water plants. There must be some investigation of that waste water. That is an incredible amount of water that is going out to sea. Perhaps the community should be given incentives for water-saving devices such as shower heads etc. I do not believe we have the water crisis that the Premier is trying to impose on the State.

MR L. GRAHAM (Pilbara) [3.27 pm]: Is there a water crisis in Western Australia is the question that has been posed. Clearly the answer is: no, there is not a crisis in Western Australia. There is, however, a crisis in the Perth metropolitan area. There is a significant difference. It escapes the notice of many people in this place that Western Australia is significantly bigger than Perth. Large parts of it are not contained within the metropolitan area. Those areas do not have a water crisis; Perth has a water crisis. Why does Perth have a water crisis? Why is this water crisis any different from the previous water crisis, the one before that and the one before that? Those people in Western Australia who are about my age -

Mr B.K. Masters: There are not many left.

Mr L. GRAHAM: No, there are not. They are a dying breed. Those people will know, because we all grew up with regular warnings from the "experts" that once Perth reached a population of more than 1.5 million, it would find itself in dire straits and should not be allowed to continue to expand because it would run out of water and there would be insufficient water reserves in this part of Western Australia for the city to continue to expand. I have been hearing that all my adult life. I have been in this Parliament for 13 years, and this is the second major water crisis that has occurred in my time in Parliament. What is the difference between this crisis and the previous one? That is the question this Parliament needs to get its head around. In a nutshell, the answer is that there is no significant difference. When it rains, and it will, and when the dams fill, and they will -

Mr F.M. Logan interjected.

Mr L. GRAHAM: The member can laugh.

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Mr F.M. Logan: They have not filled yet. When was the last time they were full? Tell this Parliament that.

Mr L. GRAHAM: This is no different from 10 or 12 years ago. When the rains come and the dams fill, the politicians will forget the lesson. The lesson is not about dams; it is about the size of Perth and its location in a relatively low rainfall area.

Ms A.J. MacTiernan: Are you suggesting the Pol Pot solution?

Mr L. GRAHAM: As the minister is a recent convert to capital cities dominating their smaller counterparts and is a born-again secessionist, I thought that she and I would agree. I think the only thing we disagree about is where to draw the line. I am a longstanding secessionist; the difference is where we draw the line. It is easy for people to sit in this place and say that it will not rain and that we must do certain things. It will rain. It always does. That is the history of Perth. In a cyclical format of 10 to 12 years -

Ms A.J. MacTiernan: Are you aware that the 50-year cycle for Perth clearly shows that average rainfall has dropped by 50 per cent over the past 25 years? It is quite frightening.

Mr L. GRAHAM: What does that mean?

Ms A.J. MacTiernan: It means real climatic change.

Mr L. GRAHAM: It does not mean climatic change. It means the minister has been looking at the weather patterns of the past 50 years. That is like looking at five minutes of Parliament and saying that that is the history of all Parliaments.

Ms A.J. MacTiernan: The progression is quite clear. There is a clear trend.

Mr L. GRAHAM: For 30 years experts have been warning that when this city approaches a population of 1.5 million people, there will be a water crisis. The Government should not be surprised. That is the message. I find the water strategy that has been talked about most interesting. A water strategy should be based on some key and important principles. Is this strategy aimed at conservation or revenue raising? That is a fundamental question. If the strategy is aimed at conservation, I expect the Government to come out with not a blanket but a targeted response that is aimed at the high-end users of water. I expect the low-end users of water to be left out of it. I do not expect them to be touched. I also expect those people who can demonstrate that they are doing something to conserve water at whatever level to be rewarded. It is a basic and fundamental principle.

I expect the Government to not impose increased water charges on country people. It would be an absolute absurdity to introduce increased water charges -

Mr B.J. Grylls: There already have been.

Mr L. GRAHAM: The members on the other side of the House do not want to wind me up about the water charges they imposed when they were in government. It would be an absolute absurdity to introduce higher water charges into the Kimberley when the most discussed option to solve Perth's water crisis is to pump water out of the Kimberley. It would be an absurdity to increase water prices in the Kimberley or the Pilbara. The Pilbara does not have a water crisis in any way, shape or form. Karratha will have a water crisis in 10 years. We knew that 10 years ago, and Governments of all persuasions have done nothing about it. If nothing changes, Karratha will have a water crisis in 10 years because it has limited access to water. It cannot be allowed to continue to grow and develop. This is not a Port Hedland-Karratha argument; it is a simple argument about water. There is not sufficient water on known reserves to provide for both industrial and residential development in Karratha, even when the desalination plant in the Burrup Peninsula is factored in. Karratha will have a water crisis in 10 years. There are not sufficient water reserves to sustain the population growth resulting from the projected industries. Given the history of the State, I expect to be back in here in 10 years having a debate about a so-called water crisis in the north west.

Mr F.M. Logan interjected.

Mr L. GRAHAM: The member's mob has tried three times and has not got a look in.

Mr F.M. Logan: I was referring to age.

Mr L. GRAHAM: The member should not pick on me because of my age.

Mr F.M. Logan interjected.

Mr L. GRAHAM: He would hope. The important point to bear in mind is that Tom Price, Paraburdoo, Newman, Port Hedland and the smaller towns in that area have no water problems. One could make a case for transporting water by pipeline between Port Hedland and Karratha: Port Hedland would get Karratha's gas and send back some water. There is no reason for the Government to increase water charges in that area. In fact,

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there is a convincing argument for the reduction of water charges in that area. The Water Corporation under its various guises and successive Governments have benefited enormously from the mining companies that put in bore fields, pumps and pipelines. Mining companies built and maintained the entire infrastructure for inland mining towns. A mining company built and maintained the De Grey pumping station for Port Hedland and handed it over to the Water Corporation, which changed the badge on the door. The Water Corporation has received an enormous benefit from that. There is a serious argument that if that benefit is to be passed on to the residents of the Pilbara, they should experience significant water cost reductions.

Another principle should be considered when the Water Corporation applies government charges in the name of conservation. The Government should at the very outset give a rock-solid undertaking that there will be no net financial benefit to either the Water Corporation or the Government as a consequence of the changing financial arrangements. For the Government to do other than that is to admit that it is simply introducing a tax. If the prime outcome of a water conservation measure is to conserve water, the Government should not make a quid out of it. Unless the Government gives that undertaking, its actions will be seen as no more or less than a tax grab. Those wise people in this place know that the Government gets a return from the Water Corporation. It is required to return a dividend to the Government. Unless and until the Government gives such an undertaking, any dealings and manoeuvring on reorganising the price people in this city pay for water will be seen as a tax grab.

There is no argument about the need to curtail high water usage. It is good, sound planning practice and government policy. It begs the question: why in 2002 does government not already have such a policy? That is where the system has it wrong. How did we get into this mess? Both sides of politics feel capable of defending themselves by blaming their predecessors. The so-called Ernie Bridge pipeline, as it has become known, was suggested by Ernie Bridge when I first came into Parliament in response to the great water crisis of Perth 1988-89. That was Ernie Bridge's proposal to deal with the then biggest-ever water shortage in Western Australia's history.

How have we got from 1989 to 2002, only to find ourselves in the same position? That is a reasonable question. The answer will not be provided by each side of politics pointing the finger at the other side and saying, "It was the previous Government." The answer will be provided when the Government addresses the problem - I assume it is doing so; I have listened to the Premier since I have been back, and I am convinced he is serious about this matter - and when it applies itself to the principles I have outlined, not because I have outlined them, although I would like to think that was the attraction, but rather because it is the right thing to do. In this instance, the people who do not have a problem reside in country Western Australia; the people who do have a problem are in the metropolitan area of Perth. That is where the solution should be found.

Mr B.K. Masters: When you say the metropolitan area, are you including those people on the gridline or the supply line up to Kalgoorlie and the wheatbelt?

Mr L. GRAHAM: No. I have a longstanding argument - as do many of my predecessors, and I am sure the member for Kalgoorlie will have a similar argument when he gets across the matter - with the Water Corporation. I have significant difficulty with how the Water Corporation computes the price of water going to Kalgoorlie and how it is costed. I have sat on a Public Accounts Committee and quizzed the corporation at length about that matter. Of course, I am not allowed to reveal what it was quizzed about, apart from those things that are public, but it mystifies me - it mystifies me nearly as much as the oil pricing policies of petroleum companies. I accept that they are thieves; I did not know that the Water Corporation was in the same league.

I do not include those people. They have as much right to water as do city people.

Mr B.K. Masters: Even though they are using water that comes from city-based sources?

Mr L. GRAHAM: Absolutely. For the best part of 60 years people in Kalgoorlie have been pointing out to water corporations and governments in Perth that there are huge reserves of subterranean water in and around Kalgoorlie and would we please set up a system to use that as a potable water source. Again, about every 10 to 15 years someone rediscovers that water and says, "Look, here is all this water; we can use it." For the better part of 60 years, people in Kalgoorlie have been saying, "Let us use it."

We live on one of the driest inhabited continents on this planet. What do we do about the use of water? If the answer to the current water crisis is for the Government to simply ramp up charges as a de facto tax on all Western Australians, we will have failed again, and despite all the mirth and merriment, people like us will find themselves back in here during the next cycle of 10 to 12 years discussing the next worst water crisis.

MR B.K. MASTERS (Vasse) [3.43 pm]: On Monday of last week I attended a monthly meeting of the Capel Chamber of Commerce. Capel has a supermarket in Forrest Avenue - it is the first one, and a big deal for Capel. Not only does it have a supermarket but also it has a video store, and the post office has relocated from its

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previous base. However, there is a parking problem out the front of this new shopping complex. This issue was raised at the Capel Chamber of Commerce meeting and many people spent quite a few minutes saying they believed we needed to realign the car park, have a new entry, change the configuration or whatever. Finally, I interjected and said, "I believe we simply need to lodge our concerns with the Shire of Capel and let the experts come up with a range of solutions to solve that car parking and traffic safety problem in the main street of Capel." The solution to the current problem with domestic water in the metropolitan and surrounding areas is exactly the same. We all know there are some problems - in my view, there is no crisis, but there are certainly problems - and the Government is saying it wants to have lots of forums and it will go out into the community and ask for solutions. That is completely the wrong way to go about solving this issue. We should recognise that the Water Corporation is a very professional government agency, and by that I mean professional in the areas for which it is responsible, namely, the supply and the disposal of water and all related matters.

Before the public of Western Australia is asked to make any meaningful comment on the best option - whether it be higher prices, dual-flush toilets or whatever - the professional people at the Water Corporation should present to the public, and that includes us as politicians, the full range of options and the broad spectrum of solutions to the many problems that are facing the south west corner of Western Australia. Only then should the Government of the day have its forums and seek feedback from the community.

I was very disappointed when I went to the Water Corporation web site last night, because I assumed that, with the so-called water crisis being so much on our minds at the moment, I would be able to find lots of information about Perth's domestic water supply. I expected to find information about where our water supply comes from, how it is used, methods of charging and volumes of waste water that are treated and that are pumped into the ocean. However, apart from the same graph in a couple of places that showed that the inflow of water into our dams has greatly diminished - and no-one is arguing about that - there was basically no other information that anyone could use to come to a reasonable conclusion about, first, the severity of the so-called crisis and, secondly, the practical, reasonable and fair solutions to these problems.

I then went to the Water Corporation's annual report for 2000-01. Again I was very disappointed, because even though the summer before last was reasonably dry and the issue of water was very much in the public mind, the annual report contained very little information. For that reason, I believe the Government has attacked this issue in the wrong way - it has put the cart before the horse. Not enough information has gone out to the public to allow it to understand the range of options. Members of the public can only then comment sensibly to the Government on the basis of the proposed options.

It is interesting to go back a couple of months to the time that the Water Corporation suggested publicly that maybe water charges should be increased. If my memory serves me correctly, the corporation made that suggestion in order to use financial incentives to assist water conservation. My recollection is that the Government strongly opposed any changes - certainly any increases in water charges - because it said that would not be appropriate. Of course, two months later, now that that possible solution has seeped into everyone's minds and everyone seems to realise that it is inevitable, the Government has come back to us and said that it thinks water charges should be increased. We heard shocked objections from the Government when that suggestion was made initially, but I think that was all a bit of a ploy. The Government realises that that is one of the legitimate actions that must be taken, or at least considered, in order to solve the various water problems facing us. The reality is that we must look at all options involving both supply and demand.

The member for Greenough referred to 300 studies of Perth's ground water supplies that have been conducted over the years. A range of ground water and surface water supplies, as well as technical sources of water such as desalination, are available to the south west corner of Western Australia, including Perth. There are many options for the supply of water; however, not all of them have been well understood or well communicated to the public.

Much can be done to influence the demand on our water supply. I refer members to an article in *The West Australian* on Friday, 2 August 2002 headed "Water-Saving Measures Produce Mixed Results". Although the commentary by Peter Trott is very useful - it is one of the better articles I have read in *The West Australian* in recent years - I draw members' attention to the graph of Perth's population and water usage. The graph of per capita consumption shows that from the years 1940 to 1974 or thereabouts there was a steady increase in the per capita consumption of water, starting from about 105 kilolitres a year. In 1974, water usage peaked at just under 250 kilolitres per person per year. The years from 1974-76 were drought years. The severity of the drought was such that the Liberal Government of the day introduced some very strong controls on the amount of water that people could use and the way they could use it. I believe that the then Government ran a very good education program to make sure that everyone understood the severity and the nature of the problem. The end result was that by 1976, the per capita water usage in Perth had decreased from just under 250 kilolitres a year to approximately 120 kilolitres a year. That is half of what it was just two years previously. From 1976 to today,

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water usage per person per year has increased from roughly 120 kilolitres to today's average of about 150 kilolitres per person per year.

I went into some detail about that graph because it shows me, and hopefully the Government, that it is possible for the people of Perth to reduce their water consumption by 50 per cent per capita if the right tools are used to convince them that it is necessary. The graph shows that even if the Government does not want to reduce the current per capita water use from 150 kilolitres to 75 kilolitres a year, the people of Perth can survive very happily on 120 kilolitres per person per year. That is some 20 per cent less than the amount of water that the people of Perth currently use. In other words, we could easily use the same amount of water that people used 20 years ago, which would reduce our water usage by 20 per cent and conserve a significant amount of water, thereby making it available for other uses. Demand management is easily achievable as long as the right tools are used.

I will give members another example of a tool that can be used to convince people that they need to do the right thing regarding water use. In 1995, there was a water supply problem to Kalgoorlie. The Kalgoorlie pipeline had reached its pumping capacity and either a new supply of water was needed or the amount of water used had to be reduced, thereby freeing up some extra water for additional uses in Kalgoorlie.

Mr J.J.M. Bowler: Or there needed to be an increase in the reservoir size.

Mr B.K. MASTERS: Yes. According to the article by Peter Trott, which is consistent with my recollection of the events of 1995, the Water Corporation spent \$3.5 million on a water efficiency program, which has since saved \$6.8 million worth of water. I understand that there is no longer a water crisis in the Kalgoorlie-Boulder area, partly because of the actions taken by the Water Corporation and partly because the mining industry now uses saline water for some purposes instead of processed water. Is that a fair summary?

Mr J.J.M. Bowler: In part, but Kalgoorlie still has water restrictions. There is not as much water.

Mr M.W. Trenorden interjected.

Mr B.K. MASTERS: That is true; however, at the end of the day, our cloth must be cut to meet our needs. Kalgoorlie does not have a water crisis; it has problems of water conservation, water pricing and quality of water. Kalgoorlie does not have a water crisis because it implemented efficient water conservation measures.

I also suggest to the Premier and the Government that in order to manage demand, a lot of innovative alternatives must be considered. Last week in the *New Scientist* magazine I read about an alternative to the amount of water that is needed to flush a domestic toilet. Most people do not know why 15 or 20 litres of water are needed when people do number twos. When people do a number two, they must press the full-flush button, which uses a greater volume of water. The reason a greater volume of water is needed is not to flush out the solids from the bottom of the toilet, but to raise those solids up over the S-bend and then down into the rest of the plumbing system. A new toilet has been devised in Europe whereby mechanics make the S-bend disappear so that there is a straight-line flush when the full-flush button is pressed, which can save about 75 per cent of the volume of water used.

Mr R.C. Kucera interjected.

Mr B.K. MASTERS: It depends on who is sitting on the throne at the time.

Mr R.F. Johnson: In Holland, they use a different style of toilet, which is much flatter than ours.

Mr B.K. MASTERS: I thank the member for Hillarys for that comment. He supports my argument that we must look at innovative ways to reduce our water usage.

Mr M. McGowan: Did you call *Inside Cover* before you made this speech, or will you call them after?

Mr B.K. MASTERS: I have given up talking to *Inside Cover* because it does not print what I say any more.

I have no doubt that price controls are an essential part of demand management. However, as the member for Pilbara said, it is important that low-income earners not be affected at all by any increases in water charges. The member for Pilbara rightly said that price increases should be targeted at the larger water users, such as people who deny that we are living in an Australian environment and wish to believe that we are living in a European environment. As a result, their lawns and gardens are full of evergreen grasses, roses and other plants that demand regular, constant and large volumes of water. Therefore, it is important that the Government provide incentives to encourage people to conserve water. If the encouragement does not work, financial controls should force people to turn their lawns and European style gardens into paving or native gardens. Essentially, that is what happened in 1975 and it is about time that we used similar incentives today.

Having said that we need to be innovative, it is also important that we be as sensible as possible and not make really stupid statements or try to give people the wrong impression. For example, an article in *The West*

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Australian of Tuesday, 6 August quotes the cost of Kimberley water brought down to Perth as \$4.40 a kilolitre compared with the price of typical water efficiency options today of 15c to 40c a kilolitre. Kimberley water is about five times more expensive than the price that we pay for water today. Clearly, it is a ridiculous amount of money to expect to pay for water, even if the volume of water in the Kimberley is potentially unlimited. In the same breath the Government has said it will encourage people to install rainwater tanks on their domestic properties. I have done a back-of-the-envelope calculation and, based on a 20 000-litre water tank costing roughly \$5 000 depreciated over 50 years, domestic water will cost more than \$5 a kilolitre, which is even more expensive than bringing water in a pipeline from the Kimberley.

The Government is beholden to be sensible, level headed and reasonable in statements and suggestions it makes to the people of Western Australia and of Perth in particular. Just as it is sensible to dismiss the Kimberley water option because of extreme cost, this Government should also discourage people from putting in domestic rainwater tanks and, instead, should look at the fullest range of more sensible options that are available to us. Do we have a water crisis? Of course we do not! However, we have a number of water problems. Those problems are both supply and demand, and also the quality of the water that we are using.

I will respond to a couple of comments made by the member for Pilbara. He said, "when our dams fill, and they will". I do not know whether our dams will ever fill again. However, I do know that fewer than four years ago a Commonwealth Scientific and Industrial Research Organisation study said that Perth was coming to the end of a 25-year dry spell and in the next 25 to 30 years we would enjoy significant increases in annual and winter rainfall. I have the greatest respect for the CSIRO's technical experts; their expertise is always beyond question. However, I do not know whether the CSIRO got it wrong on this issue. I have to caution the member for Pilbara when he puts his head on the block by saying that our dams will fill, because no-one really knows. We need to be sensible in the way in which we look at both supply and demand.

The member for Pilbara also said that the issue facing us today is the size of Perth. With respect, member for Pilbara, the issue is not the size of Perth and its population but the per capita water usage of that population.

MR B.J. GRYLLS (Merredin) [4.03 pm]: I support this amendment. I inform other members in the House that although they may not have a crisis in their electorates, many areas in my electorate are in crisis. Members may not call it a crisis, but the people in the areas that I represent who talk to me certainly do. In areas like Kalannie in the northern wheatbelt, farmers have not had decent rain in two years. The Water Corporation supplies those farmers with supplementary water when their reserves run out. These farmers are travelling 100 kilometres to access drinking water. In 2002 in a State as prosperous as Western Australia, in my book it is a crisis when members of our community have to travel 100 kilometres to access drinking water. It may not be a crisis in some members' electorates but it is certainly on the top of the list in mine. I support this amendment because I would like the State Government to do a whole lot more to address this issue, particularly in my electorate.

As the Minister for Planning and Infrastructure informed the House earlier, the amount of rainfall in Western Australia over the past 25 years has halved. Also, the run-off in catchment areas has decreased because of the growth of vegetation. All of this has led to a major water shortage in Western Australia. The Government needs to take steps to alleviate this shortage. It is crazy to believe that the population of Western Australia will not increase. We live in the most fantastic State in Australia and one of the greatest places in the world. People will come to Western Australia, and the demand for water will continue to increase. We need to ensure that we are developing measures that will allow us to meet this increased demand.

Earlier in the year, the National Party recognised this water problem, which hits hardest in our electorates because when it does not rain the farmers are straightaway in deep trouble. A lot of our export income depends on these rains, and when they do not come the problem is exacerbated. Year after year this problem has increased. The National Party has put this issue on the top of its list of issues to pursue with the Government.

We thank the Government for taking our lead and asking the community about its water needs for the future and how it feels it will be best to deal with this issue. We will continue to backup the calls in the community and to tell the Government that it needs to do more than look just at the metropolitan area as the epicentre of this problem, because the epicentre extends right out into the regions. The member for Pilbara has it right: people living near Lake Argyle are probably not complaining of a water crisis. However, people in my electorate are in crisis.

The State Government pitched its whole water plan on the idea of conservation and a reduction in demand. Although this plan has some merit, it does not gel with a lot of other issues that are running in this State at the moment. Just yesterday the Government claimed a nine per cent growth in business investment. Surely we will need water to match this business growth. We have an increasing population, increasing investment in business and decreasing rain, so we need to make a big effort to respond to this problem. As has been said by previous

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speakers, every 10 years the crisis rolls around again and we stand up and say that we need to do something about it. It is incumbent on us to make decisions now that will solve the crisis not only for this year or next year but for 10 and 20 years down the track.

One of the great concerns of the National Party was highlighted in the Treasurer's answer to a question during question time yesterday when the member for Avon asked -

In response to the Government's water strategy and the proposed increase in water charges, what is the Treasury's estimate of the net change to the forecast dividend to government from the Water Corporation in the 2002-03 budget papers?

In reply the Treasurer said -

I am not aware of any Treasury estimate of revenue flowing from any proposals in the Government's water conservation strategy.

This should be ringing alarm bells for everybody. The Government has put forward water as one of the major issues affecting this State, but Treasury has not looked at the effects of the Government's new water policy. We will pursue this as the parliamentary session continues.

Desalination has been -

Mr M. McGowan: Is your concern that Treasury's receipts will go down or go up?

Mr B.J. GRYLLS: We need a Treasury response. It is the job of Treasury to tell us that. We have asked the question: what will be the effect of the Government's policy on the budget bottom line?

Mr M.W. Trenorden: Last year's budget forecast was down by \$10 million. Is the Government's water plan going to fix a \$20 million reduction or not?

Several members interjected.

Mr B.J. GRYLLS: I do not want to take up any more time on this point. We need to take a comprehensive approach, yet the Treasurer has not made any response to the fact that the Government's water policy -

Mr M. McGowan: What do you want to know?

Mr B.J. GRYLLS: What the Government's water strategy will do to the budget bottom line. One would think the Treasurer would be able to answer that question.

Mr M. McGowan: I am sure he can answer that question.

Mr B.J. GRYLLS: That is exactly the question that we want the Treasurer to answer. The Government has put \$800 000 into a feasibility study into desalinating water at Kwinana. That is not the answer. Eminent hydrologists in Western Australia have said there is enough water under the wheatbelt to provide the whole of Western Australia's water supply for the next 200 years. The problem is obvious when we travel around the wheatbelt and see the rising watertable and the effect of salinity on the regions. There is a tremendous resource of underground water in the wheatbelt, although saline, and we want the Government to fully investigate the feasibility of using that water rather than desalinating sea water. Two weeks ago it was claimed in *The West Australian* that Tammin, which is in the middle of my electorate, is the poorest town in Western Australia. Tammin is at the bottom of the valley floor and is surrounded by salinity. We hope the Government will investigate options to not only provide water for the State but also help alleviate some of the problems from which towns like Tammin are suffering. The Merredin desalination plant was put forward as a solution to the problem, but after two years of trials that plant was scrapped and put on the backburner, obviously in the belief that desalination in the wheatbelt is not the number one issue. Desalination is not only about providing potable water. It also has environmental benefits.

Tomorrow at the National Party's Liquid Assets water forum in York, eminent people will be speaking on the benefits of desalination and the mineral by-products of that process. Many different avenues can be pursued with desalination, and we call on the Government to fully investigate all the options. Tomorrow we will be putting those options to the people of Western Australia. We will also be bringing those options to the Government's water forum.

The Kimberley pipeline option is certainly topical, and the community of Western Australia deserves an answer -

Ms C.A. Martin: You are not going to get our water! No Kimberley water is coming into the city!

Mr B.J. GRYLLS: I would like once and for all studies to be done that either prove or disprove and put some real figures on the Kimberley option. At the moment only half the study has been done because of the change of government in Ernie Bridge's time, and the true story has never come forward. The community of Western

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Australia deserves to have the whole plan laid on the table and either proved or disproved. We need to take a statewide approach to this water issue. The Government must plan for the whole State, not just the metropolitan area. To say there is a water crisis in the city and ignore the regions is to discount some of the most valuable land in Western Australia.

I turn now to the farm water grants scheme. During the past two years of extended dry periods in the wheatbelt, many farmers have had major problems in just providing drinking water. The Water Corporation claims that it could not possibly have planned or budgeted for those extremely dry periods. However, the trend has increasingly been downwards. All the farmers in this State are in the same position. They have dug dams and put in tanks to provide what they thought would be an adequate solution to watering their properties. However, many farmers have come up short and need extra support from this Government. I was pleased that yesterday, in response to my question to the Minister for the Environment and Heritage, the minister indicated that she would continue to provide for the farm water grants scheme. This can only be good for the people in my electorate.

The National Party views this issue as very important. That is why we will be holding our Liquid Assets water seminar tomorrow, with eminent speakers from all over Australia to address this issue. We will certainly be delivering to the Government the response from that forum, and we will also be attending the Government's water forum and putting forward our points of view.

MR M.W. TRENORDEN (Avon - Leader of the National Party) [4.16 pm]: The National Party is taking this issue more seriously than the Government. Normally before the state conference of the National Party, which will be held this weekend, we go through a process similar to that of other political parties and go to community activities around the town in which we hold the conference. However, this year we decided that because water is such a critical issue, we would hold a Liquid Assets forum. We also thought that this issue is so important that we would not run the forum just for the National Party but would invite the Minister for the Environment and Heritage to open the conference; and to her credit she has agreed to do so. The National Party is facilitating this forum tomorrow. It is not a National Party policy process. It is a process in which we will be introducing a range of options that are relatively new to Western Australia, but not to the world. A lot of people will be attending the forum. We have had to beat people away with a stick. We were expecting 50 to 60 people to turn up, but when I last looked it was about 180. The demand for this forum has been substantial. The reason it has been substantial is that we will be dealing with the core issues that people are concerned about and want to learn about, because whether the Government wants to recognise it or not, Western Australians are highly concerned about their future water supplies. When I say "Western Australians", I do not mean Perth people.

I recognise what the member for the Kimberley said. If we go to the Kimberley - I have been there several times this year - and talk to the people about water, they will say exactly what the member said, with good reason. They want their water to be used in the north west. They have the second stage of the Ord River dam, and the issue of water availability around Fitzroy River area. If we lived in the Kimberley, that would be our view, and it is a perfectly logical view. Nevertheless, State Governments are about doing the best for all the population. We should be looking at all the options. The ideas of Ernie Bridge are part of the options. It is lunacy for this State Government to even consider pulling water out of the Indian Ocean and Cockburn Sound. It is mind-bogglingly stupid.

Mr M.P. Whitely: What? To even consider it? Why dismiss it? Why is it mind-bogglingly stupid to consider it? I want to be educated.

Mr M.W. TRENORDEN: God forbid! I do not have the time to educate this member! I would be here for 1 000 years!

Mr J.C. Kobelke: That is a reflection on the teacher, not the student.

Mr M.W. TRENORDEN: It probably could be. Between the two of us -

Mr M.P. Whitely: As a fellow member of Parliament, I wish you would justify your statement. Why is it mind-bogglingly stupid?

Mr M.W. TRENORDEN: The member should shut his face for a moment and I will tell him!

Ms A.J. MacTiernan: You are a leader; you should be using more appropriate language.

Mr M.W. TRENORDEN: As a fellow secessionist, I agree with the minister.

Ms A.J. MacTiernan: He wants you to share your infinite information.

Mr M.W. TRENORDEN: The member does not have the capacity to remember what happened many years ago. A little nation called Iraq caused some kafuffles in the Middle East. A little country called the United States of

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America, with the support of the United Nations, decided it would give Iraq a bit of a belt. The member does not know it, but the American forces fought battles in the desert. He also does not know that deserts do not have water. A little organisation called the United States Army went to this little country and fought a big battle in a big desert. What did it also do? It dropped a pipe in the ocean, started a motor and desalinated water. Everyone knows the cost of desalinating water. It is common knowledge throughout the world; it has been done a billion times. Why spend \$800 000 to investigate something that has been done repeatedly? That is the answer to the member's question.

It is important to consider this matter. As the member for Merredin said, in his part of the world and in my part of the world, we have 200 years supply of water. The problem is that it is not potable. We could partly solve this land care and salinity crisis at no cost. If what we read and are told about desalination is true - that is, if we were to desalinate water and use and sell the by-products and the water - we could almost certainly have an impact on a very serious environmental crisis for little or no cost. However, that is not the issue we are debating today.

I do not believe the State Government has given enough thought to planning for water supplies. When the crisis was first seriously considered at this time last year, the State Government accused the former Court-Cowan Government of doing nothing. In fact, it did a great deal. It linked all the water sources. However, that does not help if there is no water. That is the problem. The bores and dams were linked during the previous five or six years, but that does not solve the problem. Concerned Western Australians - in both metropolitan and country areas - are now asking from where will the water come. Having linked the dams - which all of us should concede was a good infrastructure strategy - we must ask from where will the water come.

We can argue that conserving water is a good approach. However, it is a stopgap measure. As the member for Merredin said, the population will increase and we will experience strong industrial growth in this State, not only on the Burrup Peninsula but also in the metropolitan area. That growth will require water.

Forums aside, this place and the Government of the day will have to decide from where our water will come. That is now up in the air. The State Government has not addressed that issue. Members on this side of the House have taken the issue seriously. In fact, we are presenting a bipartisan view, and the Minister for the Environment and Heritage will be opening the water forum tomorrow. Up to 200 people will attend the forum. It will be an outstanding group that will deal with a range of scenarios. However, that does not answer the question; it still hangs over us all: from where will our water come?

MR M.F. BOARD (Murdoch) [4.26 pm]: This is an important amendment to the Address-in-Reply. It is an important debate that the Parliament should have addressed and should be addressing in a more bipartisan way. It is not as though reports, strategies, policies and mechanisms have not been implemented not only to lock in future water supplies for Perth and Western Australia generally but also to demonstrate that long-term strategies have been put in place. Indeed, there are long-term strategies, including "Perth's long-term future: a water supply strategy for Perth and Mandurah", dated June 1995. That is only one of many reports that have been prepared by water and planning authorities and other bodies, such as environmental groups, within Western Australia that have looked at Perth's water supplies.

It has generally been believed and documented that Perth does not have a water supply problem; it has a water management problem. I have heard that term used many times. The management of our water system has involved looking at not only surface water and runoff but also, in particular, our ground water supplies. It is in that area that I wish to raise some different issues in this debate.

In 1994, because of the pressure of development in the Perth metropolitan area, the Government of the day established a select committee to look at the conflict between metropolitan development and ground water supplies. Such was the pressure of development in this expanding city that the Gnangara and Jandakot water mounds, which were set aside as pristine water catchment areas, were under huge pressure. Developers felt that they needed that land to deal with the pressure of Perth's expanding population. That committee was established by the then Minister for Planning, Hon Richard Lewis. The committee was expected to deal with the pressure of land development and protection of our ground water. Developers, scientists and others lodged many submissions stating that metropolitan development and the protection of ground water were not mutually exclusive in that we could develop over ground water mounds and still protect the water. With that in mind, the committee set about the task of looking at those complex issues. It looked at many jurisdictions in Australia and in other parts of the world that depended on ground water. In 1994, about 30 per cent of the Perth metropolitan area depended on ground water for its public water supply. I suspect that figure has increased in recent years. The committee engaged in bipartisan deliberations. I take this opportunity to thank the members for Darling Range, Whitford, Nollamara - the Leader of the House - and Peel, who played a very constructive, bipartisan role in formulating the committee's recommendations.

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People want to play a role in protecting the environment. If they want to install tanks and use that water for a range of purposes, whatever the cost, we should let them do so. People have the option of paying a higher rate for their electricity for environmental reasons; that is, the green power issue. Many people choose to do that, and I encourage them to do so if they see fit. However, that is not the answer to the problem, because not many people will choose that option. It is incumbent on the State and on the Government to find a resolution to the problem. It is not about taxing and it is not about making individuals responsible. The Government needs to take that responsibility. The answers are there. We cannot make it rain more. Maybe we will be able to do so in years to come. Maybe that is another resolution. However, we can protect our vital resources. We can capture and protect the pristine water that falls, particularly in our metropolitan area. We do not do that. As a result, much of the ground water goes into the sea or evaporates. That is a great tragedy.

If members of the House get the opportunity, I ask them to revisit some of the constructive, bipartisan and cooperative reports that have been prepared on an issue that is fundamental to the long-term growth of Perth. Some of the issues that were raised in those reports are the same as the issues that are being raised today. The questions have not changed. Many of the questions in the 1995 report on a water supply strategy for Perth are being raised in the current public debate. The report contains the same issues, nearly the same statistics and, in many ways, the same resolutions and cost analyses of what could and should be done. Some of those things have been done and some are still to be done, because it was a 25-year strategy. Another report outlined a 20-year strategy. However, what was important was the first 10 years of the strategy and what was agreed by this Parliament and the select committee.

It is very important to stop the development of our precious metropolitan ground water catchment areas. We have done that. We need to maintain that position and ensure that we do not move away from it. I know that the areas close to Perth's freeways, plantations and so forth are currently under pressure from developers and road and rail infrastructure, because those issues have been raised in this Chamber. It is very important to protect the catchment areas from that development. Having done so, we must protect the ground water that lies within those catchment areas. That is the area for which the Government is liable. The Government has walked away from that responsibility. If members of the community knew what the cessation of the sewerage program meant to our ground water and river systems, they would be horrified to think that on the one hand the Government is talking up the water issue, but on the other hand it is threatening our water supplies through short-term decision making based on using those resources for other means.

I hope the Premier's contribution to this issue is constructive. I ask the Premier to rethink the sewerage strategy. It was an important strategy. It protected our ground water. As was outlined in this bipartisan report - the Leader of the House played a great role in the preparation of this report - septic tanks threatened the protection of a very valuable source of ground water, particularly in Jandakot. That source of ground water currently provides about 35 per cent of the water that is needed for the metropolitan region. I suspect that will increase to 50 per cent in the coming years. If we do not protect the water we have, either it will be unusable or a lot more money will be spent on cleaning it on the way through. Then the cost of the ground water will outstrip the cost of some of the alternatives. I hope the Premier's contribution is constructive and that the Government protects that ground water.

DR G.I. GALLOP (Victoria Park - Premier) [4.44 pm]: The Government does not support the amendment to the Address-in-Reply. The Government is taking the water shortage seriously and is developing a strategy for the future. Western Australia has a very dry climate. Unfortunately, it is becoming drier. Climate variability in the south west in the past 25 years has resulted in a 15 per cent reduction in rainfall. That has contributed to a 50 per cent reduction in the run-off into our dams and has reduced the recharge of our ground water. That lies behind the difficulty we are facing today. Scientific experts report to the Government that they do not expect that situation to change. We have to tackle the problem of water supplies for the future.

Let us look at what the Government has done. First, we recognise that this is a community issue that will require a response for the long-term. The population is growing and our industries are expanding. We must ensure that we have water supplies to deal with those issues. When that is put in the context of our declining rainfall, we must be serious about a future for the State.

I mention also the community water forums that will be run in August and September which will enable community input into the Government's water strategy. The first water forum was held in Merredin on 26 July. The first forum in the metropolitan area was held in Armadale on 6 August. The outcomes of those forums will be fed into the water symposium to be held at Parliament House from 7 to 9 October.

There is a huge amount of interest in this issue. Western Australians are fascinated by technology. They understand what has been going on with the climatic changes. We think it is a good thing that we are involving them in the discussions. There is no doubt that they have a good understanding of the issues and have something

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to say about the matter. We will take on board the community's contributions to those forums, which will come to a head at the water symposium in October.

What we are really saying is that this is a long-term issue. It is a structural issue and it is a community issue. We must ensure that we come up with a long-term strategy that deals with two sides of the equation: the supply and the use of water. The Government has already taken action to try to improve the supply of water. As members know, Perth has a serious shortage of water as a result of the drought experienced in the past few years. Sprinkler restrictions were imposed last summer. That saved 45 gigalitres and I applauded the contribution made by the public. However, we need to do more than that. We have already sunk three new bores at Gwelup, Carine and Scarborough, which will provide 10 gigalitres of water next summer and 15 gigalitres for the two years thereafter, at a cost of \$37 million. Once those bores are sunk into the deep Yarragadee aquifer, they will be there forever. However, there is an issue about the ability of the Government to use that water. It requires a contribution from the Water and Rivers Commission and the scientific community about its impact. They have given us approval for those three years, but we want more information on whether we can use more of that water. There is a huge amount of water there. We would love to be able to use that water because it would make a significant contribution to the future water supply. However, we have to do that in the context of scientific opinion about what it will mean for the ground water supplies in Perth.

Mr M.W. Trenorden: Is there a real concern about the recharge coming from the ocean into the Yarragadee aquifer, or is it just a rumour?

Dr G.I. GALLOP: We want to press the scientists on this, because it is a huge supply of water. If we can use the water, it will remove a lot of the pressure. I am with the Leader of the National Party all the way. We need to press the scientists on what it will mean. We are talking about 35 gigalitres over three years from a resource that contains literally hundreds of thousands of gigalitres. Nine new bores at Mirrabooka will be completed by October 2002. They will provide six gigalitres of water at a cost of \$10 million.

Mr M.F. Board: You should not rely on that in the long term. It will help, but other solutions must also be implemented.

Dr G.I. GALLOP: Of course, and I am about to describe what they will be.

We have been able to do those things during our term of government to address a serious problem. The Government is also considering other contingency plans in the event we have another dry winter and very bad summer. We could construct a desalination plant at a cost of \$205 million to supply 30 gigalitres, or we could drill another three bores in the Yarragadee formation to produce a further 15 gigalitres of water at a cost of \$61 million. Those are possible strategies for the future.

Work needs to be done on the supply side, and we are looking at those options. We need to inform the people that supply options are not free. Taxpayers' money is needed, and that will impact on the cost of water. For example, some people say we should construct a pipeline to bring water from the Kimberley. The Leader of the National Party has been quoted as saying that we should examine that matter. The problem is that the current average annual household cost of water is \$190. A pipeline from the Kimberley to Perth would increase that average cost tenfold. I think the people of Western Australia would be a little concerned if that was the price they had to pay for water when other alternatives would cost much less.

Mr M.W. Trenorden: Stop talking about only Perth. This is about Western Australia. You cannot cite only the figures for Perth. I agree with the probability of a tenfold increase in the cost of water in Perth. However, there is more than Perth to consider.

Dr G.I. GALLOP: There would not be any water left in Perth. A huge pipeline would have to be built, and the cost would double.

Mr M.W. Trenorden: The National Party says some firm figures should be provided - there does not have to be a definitive study - so that the Government can convince the population that it will be better off.

Dr G.I. GALLOP: We have given the figures.

Mr M.W. Trenorden: I have never seen them.

Dr G.I. GALLOP: I just provided them - a tenfold increase in cost for the average household.

The other side of the equation is the use of water. This Government has decided that it wants to be the most water-efficient State. We have set that very high objective. The Institute for Sustainable Futures, in conjunction with a steering committee comprising representatives from the Water and Rivers Commission, the Water Corporation and the Office of Water Regulation, has prepared a draft strategy. We have released that draft strategy for a six-week public comment period that will end on 13 September 2002. Comments will feed into the water symposium to be held between 7 and 9 October. The strategy contains 38 recommendations that are under

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consideration. One recommendation is to set a target of a 20 per cent increase in waste water reuse within 10 years. The overall level of effluent reuse in Western Australia is below the national average. Another recommendation is to set a target for a 10 per cent reduction in water use within 10 years. We believe we can do that, and there is much evidence to suggest that Western Australia can save water. We want to put a greater onus on water licensees to improve efficiency before licences and allocations are issued, and that is another recommendation. We want to investigate the possibility of providing penalties for operating sprinkler systems during winter when soil moisture levels are adequate, and particularly when it is raining. We will examine encouraging our farmers to use more efficient practices, and the Waterwise on the Farm program is being trialled. We will consider the installation of water-efficient showerheads and taps in new developments and major refurbishments. A significant amount can be saved in that area. Another recommendation is to provide better information to consumers.

We have been open about the fact that we are investigating whether water is priced in a way that discourages wasteful use. The report suggests that one method would be to price water differently when the resource is scarce and under pressure, such as in drought situations. We could price water to discourage excessive use. As I have said, if those measures encourage people to use less, they will not pay more even if the price is increased.

Mr C.J. Barnett interjected.

Dr G.I. GALLOP: The Liberal Party lives in the Dark Ages. People all over the world are saying that we should conserve our scarce resources. The most scarce resource in the world today is water.

Mr C.J. Barnett: Who uses water excessively during a drought? You said people are using water excessively during a drought. Who?

Dr G.I. GALLOP: I did not say that. I said that we could relate the price of water to the level of consumption.

Mr C.J. Barnett: You talked about excessive use in a drought.

Dr G.I. GALLOP: During a drought people must save water. The report says that price is an effective tool for saving water.

Mr C.J. Barnett: Who said that?

Dr G.I. GALLOP: Why is it that when dealing with a serious issue like water conservation this Liberal Opposition reverts to adversarial insult? It does not have the capacity to deal with these issues.

Mr C.J. Barnett: People in Western Australia do not waste water. I ask you to give an example of a drought-affected town in this State that has wasted water.

Dr G.I. GALLOP: We are talking about the supply of water under our scheme system. I was very interested -

Mr C.J. Barnett: You have no sensitivity to this issue.

Dr G.I. GALLOP: I have a lot of sensitivity. I was in Narrogin this week and spoke to many farmers. They said that they were glad that we have instigated a debate on water conservation. They said that it is very important and that for a long time they have had to conserve water because of its scarcity. They encourage the debate because they know there is a problem. They tackle it by being sensible and creative about it. The Opposition wants to go back to the Dark Ages and not even debate it. An opposition member said that there was not a crisis. That is extraordinary.

Mr C.J. Barnett: There is not.

Dr G.I. GALLOP: Does the Leader of the Opposition think that there is not a crisis?

Mr C.J. Barnett: There is not a crisis. There is an issue -

Dr G.I. GALLOP: He is saying that the concept of a water crisis is a Labor hoax. If he sticks with that view, he will stay on that side of the House.

We cannot agree with the amendment.

Mr C.J. Barnett: There is not a crisis like you are trying to whip up.

Dr G.I. GALLOP: The Leader of the Opposition can adopt that approach.

Mr C.J. Barnett: That is what you are doing. You are talking about scarcity pricing and increasing the price of water for people in drought conditions. That is a very clever policy.

Dr G.I. GALLOP: The Opposition will need to read our sustainable strategy for the future when it is produced because it is clearly not up to date with what needs to be done to govern in our modern society. We think the

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Opposition is wrong. The Government has initiated a serious debate about this issue because it is a serious problem. We have put forward a number of suggestions for tackling the problem. We will hold a water symposium in October, from which will come a number of recommendations. We intend to have a strategy that deals with the supply and use of water. We want to be the most water-efficient jurisdiction in the world. We think that is a good objective for Western Australia. The Opposition can continue to live in the Dark Ages and not face the realities of the modern community in which we live. It can do that. It can be insulting and adversarial during the discussion of these matters in the Parliament. We do not agree with the amendment to the Address-in-Reply. We look forward to coming forward with a comprehensive strategy for the people.

MR R.F. JOHNSON (Hillarys) [4.58 pm]: I will not speak for very long. I will shortly seek leave to continue my remarks. I have an arrangement with the Leader of the House that we will adjourn at five o'clock. A member from our side who is not here would like to contribute to this debate, and the Leader of the House wants me to continue until five o'clock. I could go longer if he wants. It is a pity that the Premier has to leave. I know he has an appointment, and I accept that. I am sure he will read my remarks next week. They will be an absolute gem.

Mr J.C. Kobelke: Anticipation is the spice of life. If you were to seek leave to continue your remarks, we might look forward with anticipation to those gems next week.

Mr R.F. JOHNSON: I try to work cooperatively with the Leader of the House. In view of that, I will contain the gems of my remarks in the debate on this very important amendment until next week. More members might be in the Chamber then, and I want all of them to hear what I have to say about water - toilets, saving water, the cost of water and all sorts of things. I anticipate a full House next week when I resume my remarks. In the meantime, I seek leave to continue my remarks at a later stage.

[Leave granted.]

Debate thus adjourned.

House adjourned at 5.00 pm
