

**COMMITTEE REPORTS AND MINISTERIAL STATEMENTS — CONSIDERATION**

*Committee*

The Chairman of Committees (Hon George Cash) in the chair

*Standing Committee on Public Administration — Sixth Report — “Interim Report of the Standing Committee on Public Administration in Relation to the Inquiry Into the Governance of Western Australia’s Water Resources”*

Resumed from 7 May on the following motion moved by Hon Barry House —

That the report be noted.

**HON BARRY HOUSE (South West) [5.30 pm]:** In speaking to the motion last week, I was nearing the end of my comments. I was referring to the recommendation of the Standing Committee on Public Affairs made on page 11 of that report. I remind members that this report was tabled in September 2007. The recommendation states —

**The Committee recommends that the proposed Water Services Bill, Water Corporation Act Amendment Bill and Water Resources Management Bill be referred to the Standing Committee on Public Administration immediately following the second reading speech of the Minister or parliamentary secretary with carriage of the legislation and the Committee be empowered to consider the policy of the legislation.**

Members will recall that, at the time, the committee understood that the three bills were in an advanced stage of drafting and would be tabled in Parliament in the very near future; that is, from September 2007. It was the committee members’ proposition, having informed themselves of various matters and done some work, that they were well placed to provide some parliamentary scrutiny of those bills and aid the legislative process. I understand that there was a verbal agreement to that from the minister, albeit I cannot find anything in writing showing that the minister agreed to the proposition that the bills be referred to the committee. However, I recall a conversation in which he indicated that he would be supportive of that. There has been no formal government response to this report since it was tabled, so I cannot rely on anything in that vein. However, it is the committee’s contention that we have gathered a body of information. We have done an extensive amount of research in preparation for the job of considering those bills in either the form we have suggested or perhaps another way; that is, the government might produce a green bill and refer it to the committee for analysis before the final draft. Either way, the committee is proposing that it is well placed to provide some analysis and scrutiny of that legislation. We have prepared for it and, in fact, we have gone further since this report and attended to several other matters in relation to the terms of reference.

In the committee’s 2007 annual report that I tabled yesterday, there is a small section on pages 4, 5 and 6, I think, relating to the committee’s ongoing activities. Further to that, a subcommittee of our committee consisting of Hon Matt Benson-Lidholm, me and staff has conducted a study tour and spoken to bodies such as the National Water Council, the Murray Darling Basin Commission and government departments in New South Wales, Victoria and South Australia. We have spoken to people involved in academic pursuits of water analysis in Adelaide, Melbourne and Canberra and to people involved with the Australian Water Association and Australian Water Services. The committee has an extensive volume of information at its disposal and is ready to act on the referral of these water bills when they appear. However, when they will appear is the \$64 million question at the moment. We are not quite sure when they will be tabled. As I said, a year ago, we were expecting them to appear at any stage, but they do not seem to have advanced very much. That must be done. It is clear that Western Australia must get its legislative framework completed, and those three bills are essential to that. We want to play a role in it.

In conclusion, I thank members of the Standing Committee on Public Administration, Hon Ed Dermer, Hon Matt Benson-Lidholm, Hon Vince Catania and Hon Nigel Hallett, for their assistance in this report. I thank also the hardworking and very dedicated committee staff, Jan Paniperis, and the advisory officer, Ms Suzanne Veletta, who has been very diligent and professional in the way she has worked for the committee and assisted it in conducting its research, implementing the hearings and pursuing the matters that the committee has taken an interest in and for which it has a responsibility to the Parliament to pursue. I endorse the report and refer it to the chamber for its consideration.

**Question put and passed.**

*2005 Election Statistics, Adjustment — Response by Acting Electoral Commissioner — Statement by  
Parliamentary Secretary*

Resumed from 22 August 2006.

*Motion*

**Hon NORMAN MOORE:** I move —

That the statement be noted.

This statement was made by the then parliamentary secretary representing the Minister for Electoral Affairs and it relates to some information provided to the house following the 2005 state election when we were advised that two errors had been made in the counting of votes. Indeed, one was serious. It related to the East Metropolitan Region and involved 1 958 votes, which could have made a difference to the outcome if that mistake had been allowed to go unchecked. The other mistake related to the South Metropolitan Region, where six votes were incorrectly recorded. It is very unlikely that six votes would make a difference in the election of an upper house member. However, for the interest of members, I recall that a predecessor of mine won the electorate of the Lower North Province, albeit under the province system, by four votes in 1974. Sometimes a very small number of votes can have a significant impact on the outcome.

The statement indicates that although those mistakes were made, they would not have affected the result of the two regions, which is encouraging to know. I am pleased by the statement made in 2006 by the parliamentary secretary on behalf of the minister because it indicates that the Electoral Commission has undertaken a number of processes to ensure that this type of mistake does not occur again. One can only hope that the processes that will be put in place will ensure that we do not have a problem of this nature in the future. It might not be bad for all members to acknowledge that in the event that there is a very close result in the election of Legislative Council member, they might give some serious thought to requesting a recount, which this statement suggests is as an option for candidates who are concerned about the processes that led to the result. I am pleased that this statement was made at that time and we look forward with some interest to see whether the problem will have been overcome by the next election or whether similar problems will arise.

The statement also refers to the Compu-Vote system and says that the program has been designed to calculate the quota and transfer values according to the Electoral Act 1907 and was successfully used without error in the 1996 and 2001 state general elections. I argue that in 2001 a mistake was made in my region. We have already debated that so I do not intend to argue about it now. The Electoral Commission continues to state that the Compu-Vote system was used without error. I am saddened that on that occasion there was not a Court of Disputed Returns to find out whether an error was made.

**Question put and passed.**

*Joint Standing Committee on the Corruption and Crime Commission — Thirty-first Report — “Inquiry into Legislative Amendments to the Corruption and Crime Commission Act 2003 — The Role of the Corruption and Crime Commission in Investigating Serious and Organised Crime in Western Australia”*

Tabled on 13 November.

*Motion*

**Hon RAY HALLIGAN:** I move —

That the report be noted.

This report is particularly important. I believe all members in this chamber, and indeed the Parliament, should take note of it. This was an inquiry into legislative amendments to the Corruption and Crime Commission Act 2003 and specifically the role of the Corruption and Crime Commission in investigating serious and organised crime in Western Australia. Members are aware that a great deal of concern has been expressed about organised crime in this state, particularly through the media, and that more must be done to curb it. The committee felt that the Corruption and Crime Commission might wish to use some of its powers to undertake that task.

The committee’s inquiry began in November 2005 and concluded in November 2007. A number of hearing and briefings were held and submissions received. Legislation was analysed and some travel was undertaken by members to ascertain what was happening in the other states. The report is comprehensive. I commend the staff of the Joint Standing Committee on the Corruption and Crime Commission, Katherine Galvin and Roy Tester, who did an amazing job in obtaining the information and putting this report together.

The report mentions a number of issues, but I will relate only a few. The report states —

The Committee is of the unanimous view that Government should adopt the definition of ‘serious and organised crime’, derived from the *Australian Crime Commission Act 2002* (Cth) and complementary legislation as amended by the Committee.

- The definition provides the requisite level of accountability in the application of exceptional powers;

Members are aware of the exceptional powers that the CCC has. The report continues —

- It ensures some uniformity of legislation with other Australian jurisdictions given the existence of complementary state legislation to the *Australian Crime Commission Act 2002* (Cth);
- The WA Police generally access exceptional powers via the Australian Crime Commission in favour of the Corruption and Crime Commission, given in part, the functionality of the definition;
- The definition simply stated, meets most of the aforementioned elements common to the definitions of ‘organised crime’ in Australian jurisdictions;
- The definition meets most of the concerns raised by the Corruption and Crime Commission and the Western Australia Police regarding the limitations of the existing legislation;
- A precedent exists (inserted by Amendment No.73 of 2006 s97) in the *Liquor Control Act 1998* for use of the definition for ‘serious and organised crime’ as per the *Australian Crime Commission (Western Australia) Act 2004*;
- Aspects of the terminology incorporated within the *Australian Crime Commission Act 2002*(Cth) and complementary legislation have been subject to legal challenge, providing some case law precedent in the event of further legal challenge, perhaps creating a deterrent for intended appellants and a guide to law enforcement agencies in the application of the legislation;
- The definition provides for the investigation of lesser offences committed in the course of serious or organised crime activity; and
- The definition provides an extensive list of serious and organised crime offences, able to be amended by regulation to meet the changing organised crime environment.

Members may now realise that there is more to “serious” and “organised” than just those few words. The committee believes that, as far as this definition is concerned, linking Western Australia’s Corruption and Crime Commission Act with the commonwealth act will be of benefit. The report continues —

The Committee accepts that there are significant benefits to be gained in addressing serious and organised crime through empowering commissions with a complementary role to traditional policing services. The Committee therefore recommends that the *Corruption and Crime Commission Act 2003* be amended to empower the Corruption and Crime Commission with an investigative crime function subject to a reference group. This would enable the following:

- The Corruption and Crime Commission to assist the Western Australia Police in applying exceptional powers in a manner comparable with the Australian Crime Commission;
- The Corruption and Crime Commission and Western Australia Police to conduct joint investigations of serious and organised crime in circumstances where it is appropriate to complement traditional policing methodologies through use of exceptional powers or the specialist expertise of the Commission;
- The Western Australia Police to refer serious and organised crime matters to the Corruption and Crime Commission and vice versa (although the Corruption and Crime Commission already refers such matters to the Western Australia Police as required);
- The Corruption and Crime Commission to conduct independent investigations of serious and organised crime;
- The Corruption and Crime Commission to pursue serious and organised crime matters arising from its misconduct function;
- The Corruption and Crime Commission to pursue incidental offences encountered in the course of a primary offence of serious and organised crime;
- The Corruption and Crime Commission and Western Australia Police to pursue, via the definition of ‘ancillary offence’, prescribed activities contributory to the commission of a serious or organised crime offence;

- Other law enforcement agencies to refer serious and organised crime matters to the Corruption and Crime Commission and the Corruption and Crime Commission to refer matters to external law enforcement agencies or other relevant agencies (e.g. Customs or the Australian Taxation Office) as required; and
- The Corruption and Crime Commission and Western Australia Police to pursue individuals involved in serious criminal offences using exceptional powers and Corruption and Crime Commission specialist expertise (if required).

It is not the intention of the Committee that this amendment should limit the current powers of the Western Australia Police to independently pursue serious and organised crime.

It is about using the expertise of both agencies to look into this extremely difficult area so that the agencies can complement one another in undertaking this specialist role. The report continues —

The Committee is of the opinion that empowerment of the Corruption and Crime Commission with an investigative crime function would only be intended for the purposes of supplementing traditional policing methods with exceptional powers and expertise. The Committee does not consider therefore that empowerment of the Corruption and Crime Commission under the Criminal Property Confiscation Act 2000 would in any way affect the current functioning of the Western Australia Police under that Act.

As I have mentioned, there is much more detail in the report. I encourage members to read it. It covers an area of considerable importance to the people of Western Australia and, therefore, it should be of considerable importance to members of Parliament. The report contains a number of recommendations. Recommendation 1 reads —

That the definition of organised crime in the *Corruption and Crime Commission Act 2003* be amended to more effectively meet the intent of the Act under Section 7A (a).

As I mentioned, the definition of “organised crime” must be substantially the same as the definition in the Australian Crime Commission Act 2002. Recommendation 1 sets out the definition in full. Recommendation 2 reads —

That the *Corruption and Crime Commission Act 2003* be amended to include a definition of *serious crime*, that being a criminal activity that involves an indictable offence punishable by a specific term of imprisonment and that further consideration needs to be given to what the specific term should be.

Obviously, more work needs to be done in this area. When the Attorney General responds to this report, this should be given some consideration. Recommendation 3 reads —

That the *Corruption and Crime Commission Act 2003* be amended to include a definition of *Incidental Offence* to enable the investigation of less serious offences identified in connection with an offence of serious or organised crime, and that consideration be given to the following terminology:

*Incidental Offence* — If the head of a Corruption and Crime Commission operation/investigation suspects that an offence (the incidental offence) that is not a serious or organised crime offence may be directly or indirectly connected with, or may be part of, a course of activity involving the commission of a serious or organised crime offence (whether or not the head has identified the nature of that serious or organised crime offence) then the incidental offence is, for so long only as the head so suspects, taken, for the purposes of the Act, to be a serious or organised crime offence.

To many that would just sound like a total jumble of words, but if members analyse them, they will find that they do provide the investigating officers—whoever is in charge of that operation or investigation—greater opportunities than they currently have. Unfortunately, to date many offenders have been able to slip through that particular net, so there is need of something of the nature recommended in recommendation 3. It continues —

#### **Recommendation 4**

That the *Corruption and Crime Commission Act 2003* be amended to include a definition of *Ancillary Offence* to enable the investigation of prescribed activities contributory to the commission of a serious or organised crime offence, and that consideration be given to the following terminology:

*Ancillary Offence*, in relation to an offence (the *primary offence*), means:

- (a) an offence of conspiring to commit the serious or organised crime offence;
- (b) an offence of aiding, abetting, counselling or procuring, or being in any way knowingly concerned in, the commission of a serious or organised crime offence; or

(c) an offence of attempting to commit a serious or organised crime offence.

**Recommendation 5**

That the *Corruption and Crime Commission Act 2003* be amended to enable the establishment of a reference group comprised of the Commissioner of Western Australia Police and the Commissioner of the Corruption and Crime Commission. The reference group will provide bipartisan support to serious and organised crime references and determine organised crime priorities and related terms of reference; and

That provision be made for delegation of responsibility to the Acting Commissioner in exceptional circumstances when either the Commissioner of the Western Australia Police or the Commissioner of the Corruption and Crime Commission is unable to participate in a reference group meeting.

I will read out a little later a letter signed by both those commissioners. The report continues —

**Recommendation 6**

That the *Corruption and Crime Commission Act 2003* be amended to enable the Corruption and Crime Commission to have the necessary powers to conduct serious and organised crime investigations, either jointly with the Western Australia Police or independently, subject to bipartisan support from the reference group; and

That without limiting the circumstances in which this may apply, this include:

- enabling the Corruption and Crime Commission to assist Western Australia Police in the conduct of crime examinations; and
- the pursuit of serious and organised crime encountered in the course of public sector misconduct.

**Recommendation 7**

That section 91 of the *Corruption and Crime Commission Act 2003* be amended to ensure appropriate levels of statistical reporting on the reference group.

**Recommendation 8**

That the *Corruption and Crime Commission Act 2003* be amended to enable the Parliamentary Inspector of the Corruption and Crime Commission to undertake appropriate monitoring and auditing of the reference group.

**Recommendation 9**

That the Government ensure that all relevant agencies are provided with adequate resources to enable them to combat serious and organised crime and to provide appropriate levels of accountability in the exercise of their powers.

**Recommendation 10**

That the Corruption and Crime Commission establish a structure that provides for clear lines of demarcation between the crime and misconduct functions and that consideration be given to control of:

- the flow of related intelligence information;
- the location of investigative areas and personnel; and
- independently operated information systems and operational management practices.

**Recommendation 11**

That the Attorney General's Review under section 226 of the *Corruption and Crime Commission Act 2003* consider:

- The issues raised in this report relevant to the contempt provisions of the *Corruption and Crime Commission Act 2003* and other related matters tendered in submissions to this review; and
- Whether inclusion of a 'protection clause' similar to that provided for in the *Crime and Misconduct Act 2001* (Qld) in relation to disclosure of evidence is required in the *Corruption and Crime Commission Act 2003*.

**Recommendation 12**

That the Corruption and Crime Commission be empowered under the *Criminal Property Confiscation Act 2000* to the same extent as the Western Australia Police.

**Recommendation 13**

That the conduct of legal proceedings in relation to confiscations by the Corruption and Crime Commission under the *Criminal Property Confiscation Act 2000* remain with the Office of the Director of Public Prosecutions.

**Recommendation 14**

That prior to commencing action under the *Criminal Property Confiscation Act 2000*, the Corruption and Crime Commission should ensure that it has made adequate arrangements for the management and storage of seized assets.

**Recommendation 15**

That the Office of the Director of Public Prosecutions report on the activities of the Corruption and Crime Commission under the *Criminal Property Confiscation Act 2000*.

I think that members will agree that each of those recommendations is quite serious and deals with the very serious problem of serious and organised crime that exists, might I suggest, in not only Western Australia, but also many states of Australia. Page 87 of the report contains the heading "Serious and organised crime investigations linked to public sector misconduct". That is the avenue by which the CCC will be brought into these actions if these recommendations are agreed to and, of course, the legislation is amended. The report goes on to state —

One of the principal arguments of the CCC for an expanded investigative crime function is the operational requirement to investigate serious and organised crime in the context of public sector corruption. WA Police in its initial submission attested that the CCC is currently empowered to explore the relationship between misconduct and organised crime. The CCC, charged with carriage of the *Corruption and Crime Commission Act 2003*, hold a contrary view that the Commission's investigative powers are limited to public sector misconduct. The Committee is of the view that it is unclear of the extent to which the CCC is able to investigate serious and organised crime linked to public sector misconduct.

That is one reason that the committee has made some of those recommendations that I have just read to members. I would now like to refer to a letter, which is appendix 6 of the report, signed by both the Corruption and Crime Commissioner and the Commissioner of Police. It is dated 19 September 2007, and reads, after the heading "Serious and Organised Crime Proposal and Defining Organised Crime" —

On 1 August 2007, the Corruption and Crime Commission appeared before the Joint Standing Committee of the Corruption and Crime Commission in order to respond to a number of specific questions to do with organised crime asked by the Committee. In preparation for that meeting the Commission provided to the Committee a report with written responses to the questions as well as proposing a model for the conduct of serious and organised crime investigations in conjunction with the Western Australia Police.

Following that appearance, the Commission has engaged in extensive consultations with the police. These consultations included writing to the police along similar lines as the Commission's written submissions to the Committee. This included the proposal for the model for the conduct of serious and organised crime investigations in conjunction with the Western Australia Police.

As a result of its consultations the Western Australia Police and the Corruption and Crime Commission have agreed to the proposed model subject to the amendment to the wording of the recommendations to include approval by the "reference committee". The recommendations contained within the proposal have now been amended to reflect our agreed position.

Additionally, Western Australia Police and the Commission have agreed to a proposed definition for serious and organised crime. This definition reflects the contents of the Australian Crime Commission Act 2002 excluding the 'federal' crime types and adding the crime types of paedophilia and terrorism to better reflect the evolving nature of organised and serious crime and the jurisdiction of the state of Western Australia. In addition, the proposed definition includes the concepts of 'ancillary' and 'incidental' offences as defined under the ACC Act. See Attachment 2.

We are pleased to forward to the Committee our agreed position on the above matters.

As members will realise, it was a very important breakthrough that those two very strong and important agencies are now prepared to work together to look at serious and organised crime. It is now up to the government,

through the minister, to bring forward amendments to the act to reflect the recommendations set out in report 31, which will place those two agencies in a position in which they can undertake the role that I think each and every one of us would like them to undertake.

I commend the report to members. The report was two years in the making, and it contains an enormous amount of information. The report should be read and re-read, because crime will continue to exist in this state—some serious, some organised, and some serious and organised—and something needs to be done about that. This report presents a way forward. I urge members to back the committee in this instance, because, as members know, the committee is an arm not just of this house, but of this Parliament. I therefore hope, as a member of that committee, that the Parliament collectively will support this report. I also hope that there will be communication with the minister, and that the amendments proposed in this report will be acceded to and put through this place as quickly as possible. I am aware that the minister is working on the Gail Archer report. That report includes other recommendations. However, we need to ensure that something is done in the short term rather than the longer term. As I said earlier, this report took two years to bring together. I would not like another two years to go by before amendments are made to the act. I hope members will read the report, and that when the opportunity presents itself, they will make it known to the minister in charge of this act, Hon Jim McGinty, that amendments need to be made to the act as quickly as possible.

**Question put and passed.**

*Finalists in the Western Australian Inventor of the Year Award —  
Statement by Minister for Agriculture and Food*

Resumed from 31 August 2006.

*Motion*

**Hon BARRY HOUSE:** I move—

That the statement be noted.

This statement by the Minister for Agriculture and Food, Hon Kim Chance, follows on from a question that I had asked the previous day about the eligibility of a finalist in the 2006 Western Australian Inventor of the Year Award. I had asked that question because an issue had been raised with me, in my capacity as shadow Minister for Science and Innovation, about the eligibility of Mr Ben Newman, who I believe came second in that year's Inventor of the Year Award. The contention had been put to me that Mr Newman might not have met the criteria because he was based in Melbourne. The minister's statement spells out clearly that it is a condition of entry for all finalists that they fulfil the following criteria—be a resident of Western Australia; be developing the project in Western Australia; and have a product or idea at the pre-commercialisation stage of development without an established sales stream. I am prepared to accept at face value from the minister's statement that Mr Newman had developed the technology in Western Australia, the prototypes had been produced in Western Australia, and the initial sales of 300 products had been made from a Western Australian base. Mr Newman then moved to Melbourne to pursue further opportunities. However, the statement goes on to say that Mr Newman has now returned to Western Australia. I have no means of doing anything other than accept that at face value. If the minister has some advanced information about that situation, it would be good to know. I am not sure that it is absolutely essential, but it would be good to know.

As I have said, Mr Newman had moved to Melbourne because of deficiencies in the opportunities and potential available to him in Western Australia, and because of the prospect of better opportunities in a larger city and a larger market. As I have said, I am not sure of Mr Newman's current status and whether he is still living in Western Australia or has returned to Melbourne. I also am not sure of the progress of his invention and his business. His invention was, by the way, a brake for skateboards. From what I have seen of skateboards, it is certainly necessary to have a brake on those things, so that is obviously a pretty valuable invention. He has called his product Brakeboard. I hope Mr Newman is doing well and his business is flourishing. There are many good news stories from Western Australia in the development of technology and innovative ideas.

I attended the launch of the Inventor of the Year program earlier this year at Burswood Casino. This program offers valuable incentives to young Western Australian entrepreneurs in particular. At the launch, one of the finalists in the 2007 Inventor of the Year Award—I think he also came second—reported on the progress of a hearing device that he had developed here in Western Australia. That hearing device filters sounds in a noisy environment so that it is possible to hear distinct voices and conversation. That device actually makes it possible to hold a conversation with someone in a noisy environment, such as an industrial site or an entertainment venue, without that conversation being totally lost in the bewildering array of noises in that environment. I cannot recall this young fellow's name. His invention makes it possible to take a telephone call on a busy building site, for instance, or in a very noisy environment and clearly hear the voice on the line without it being lost and without shouting. The unit he developed was about the size of a mobile phone, which fits onto a belt. This proven

technology was developed to the prototype stage here in Western Australia. He had initiated sales. The unit had enormous potential. When I spoke to him after the launch he illustrated what the problem was in Western Australia to a very large extent. He was very nervous about the next stage. He wanted to retain his intellectual property and knowledge in a private company and develop the unit. He and his mate had virtually invested their lives—he is a young fellow in his early 30s, I think—in the next step. They mortgaged their homes, were prepared to invest all they could lay their hands on and borrow and hopefully get to the next step without floating the company and attracting public capital. They did not want to do that. I applaud them for making that decision. I certainly wish them well.

Both these cases illustrate that there are people in Western Australia who are as innovative as anyone anywhere else in the world. In most respects they are better than anyone else in the world when it comes to invention and developing technology and innovative products. This incident highlights and illustrates the problems that we have in Western Australia. They were set out in the ministerial statement. There is a list of reasons Ben Newman initially decided to leave Western Australia and transfer to Melbourne. They were set out in the ministerial statement, which states —

Melbourne is important for a number of reasons. It is the location of Australia's leading surf/skate sports companies; there are more opportunities to promote the product on television; there is a more competitive market for industrial designers and tooling companies; liaison professionals there have experience in manufacturing in China; and venture capital groups are more prominent in Melbourne than in Perth.

It went on to say that Mr Newman had returned to WA. That list of reasons is important because it gets to the heart of the issue faced by a lot of very smart, innovative, bright young Western Australians. They get a product of their own invention or perhaps another's invention to a certain stage but find it difficult, if not impossible, to get to the next stage of production and commercialisation. Some of the factors that apply are the obvious ones such as Western Australia, Perth in particular, having a smaller population and a smaller market compared with places such as Melbourne, Sydney or Beijing. That is probably right. There are more opportunities for promotion via television or marketing and specialised staff, including engineers, experts and professionals, in a bigger market such as Melbourne. The important factor that needs highlighting is the lack of venture capital in Perth. That is an issue that is raised with me constantly as the opposition spokesman on issues relating to this area. That points to the need for government action. I know that some things are done, and are done very well, but there is clearly a gap in the market for some capital being available to young, bright industrialists, inventors, engineers or medical scientists to take their inventions to the next stage. The awards are great. They provide an incentive and should be applauded. More help is required to move a product from an invention to a commercial reality through the availability of and access to venture capital. The government must provide support and facilitate these sorts of things by providing the advice, knowledge and research that is necessary.

Even though the ministerial statement was given nearly two years ago—it is a little dated—there are still valuable lessons to be learnt from that situation. I certainly wish Mr Newman well. I do not know how he is going with his invention or his production. I certainly hope he is flourishing and doing very nicely. I asked those questions as a result of concerns that were raised with me at the time. It could well be a useful example of how inventions are treated, how technology is encouraged in Western Australia and, more importantly, what we have to do to keep those bright young people with their intellectual property in this state.

**Hon KIM CHANCE:** I support the motion moved by Hon Barry House. He quite properly asked questions about the eligibility of a contestant in this award. I agree with him *prima facie* that Mr Newman did not meet two important criteria, one relating to residence and the other relating to commercialisation status. I want to compliment the departmental officers who worked their way through those issues. As Hon Barry House has indicated, what appeared to be a disqualifying set of circumstances was able to be set aside.

I wholeheartedly support the comments made by Hon Barry House about the need to keep these bright young people here in Western Australia and to provide them with an industrial set of circumstances to develop their inventions in Western Australia. As Hon Barry House says, venture capital is extraordinarily hard to get in this market. Whether that is a matter of organisation of venture capital or whether it needs a framework to find a logical reference point—perhaps that is what we are missing—I am not entirely sure. It is a consequence of this being a very small market and venture capital being fairly dispersed and, to the extent that it exists, very mining oriented in this state. It is enormously difficult for any Australian industrialist to move through that minefield, which is pretty well defined by the bracket of proof of concept on one side and proof of market on the other, and it is particularly so for those in Western Australia unless they happen to fit within those areas in Western Australian industry that are more highly developed, such as the mining and heavy mechanical area.

**Question put and passed.**

**Progress reported, pursuant to temporary orders.**



*Sitting suspended from 6.00 to 7.30 pm*