

EASTERN GOLDFIELDS TRANSPORT BOARD REPEAL BILL 2007

Receipt and First Reading

Bill received from the Assembly; and, on motion by **Hon Kim Chance (Leader of the House)**, read a first time.

Second Reading

HON KIM CHANCE (Agricultural - Leader of the House) [2.10 pm]: I move -

That the bill be now read a second time.

The purpose of this bill is to repeal the Eastern Goldfields Transport Board Act 1984 and to amend certain other acts as a consequence, and for related purposes.

The Eastern Goldfields Transport Board was established in 1947 and, trading as TransGoldfields, has legislative authority to operate services for the carriage of passengers within the City of Kalgoorlie-Boulder and in adjoining areas, as well as to operate charter services. The powers of the Eastern Goldfields Transport Board are provided under the Eastern Goldfields Transport Board Act 1984, and the board reports to the Minister for Planning and Infrastructure. The 2002 machinery of government review recommended that the Eastern Goldfields Transport Board Act 1984 be repealed and the operations of the board be absorbed into the Public Transport Authority of Western Australia. Over a number of years, the Eastern Goldfields Transport Board has had difficulty attracting and retaining suitable staff. The agreements under which the staff are engaged are simply not competitive in the Kalgoorlie environment. As an example, a first-year full-time bus driver with the board could expect to earn \$30 000 per annum, while a Haulpak driver in the goldmining industry would start on \$65 000. The same licence is required, but the bus driver would need an added endorsement. Also, the board cannot compete for qualified mechanical staff, and it is necessary for mechanical work to be outsourced at considerable cost.

Following the commercial focus of the board being improved, it was decided by government that the Eastern Goldfields Transport Board Act should be repealed; that the Public Transport Authority of Western Australia would absorb into its operations the Kalgoorlie-Boulder public transport operations of the Eastern Goldfields Transport Board; that current staff of the board would be offered positions in the Public Transport Authority under relevant awards; and that the Public Transport Authority would be allowed to outsource, through a public tender process, the maintenance of the Eastern Goldfields Transport Board's bus fleet.

The bill provides for the existing employees of the board to transfer to the Public Transport Authority on commencement of the act. However, due to the expiration on 31 December 2006 of the enterprise agreement between the board and the union that had coverage of the board's employees, the staff of the board were transferred to the PTA on 1 January 2007. The transfer of the board's staff to the PTA was achieved by the board abolishing all of its staff positions, which rendered the staff members redundant as from 1 January 2007. The PTA created positions in anticipation of absorbing the operations of the board and filled those positions with the redundant board staff. The staff were then deployed by the Public Transport Authority to the board so that it could provide the services under its act. A total of 22 persons were involved, and the changeover was well received by all staff. These arrangements are possible because the Eastern Goldfields Transport Board Act 1984 provides that the board may divest itself of all or part of its business, with the approval of the minister. Also, the requirements of the Public Sector Management (Redeployment and Redundancy) Regulations 1994 were satisfied by the board's staff first being made redundant and then redeployed to the PTA.

The board comprises three persons, two of whom are employees of the PTA. The third is employed by the Department for Planning and Infrastructure. The board members do not receive additional remuneration for their role as board members. In accordance with the functions under its act, the Eastern Goldfields Transport Board currently provides regular public transport services within the City of Kalgoorlie-Boulder and regular school bus services to the schools within the City of Kalgoorlie-Boulder, between Kalgoorlie and Kambalda and between Kalgoorlie and Coolgardie.

The board owns the following assets: one bus depot in freehold title, which is worth approximately \$1 million; a fleet of 24 buses valued at approximately \$1.5 million; some minor plant and equipment; and surplus funds of the order of \$250 000. The liabilities of the board include a running list of creditors in the normal course of business and a loan of about \$500 000 from the Western Australian Treasury Corporation. All the assets and liabilities of the Eastern Goldfields Transport Board will transfer to the Public Transport Authority of Western Australia on the repeal of the Eastern Goldfields Transport Board Act 1984. Budget allocations have been made for the transition to occur in 2007-08. Absorption of the Eastern Goldfields Transport Board's public transport functions into the City of Kalgoorlie-Boulder fall clearly within the Public Transport Authority's main function under section 12 of the Public Transport Authority Act 2003.

I commend the bill to the house.

Debate adjourned, pursuant to standing orders.