

**POLICE REGULATIONS AMENDMENT (FEES AND CHARGES) REGULATIONS 2017 —
DISALLOWANCE**

Motion

Pursuant to standing order 67(3), the following motion by Hon Aaron Stonehouse was moved pro forma on 24 August —

That the Police Regulations Amendment (Fees and Charges) Regulations 2017 published in the *Government Gazette* on 27 June 2017 and tabled in the Legislative Council on 16 August 2017 under the Firearms Act 1973, be and are hereby disallowed.

HON AARON STONEHOUSE (South Metropolitan) [5.50 pm]: We have been allocated only a little over 30 minutes for this debate on the Police Regulations Amendment (Fees and Charges) Regulations 2017, so I will be brief. It is a little disappointing that such an important matter was shelved until the last 30 minutes of sitting today, considering the gold royalty disallowance motion was given a full three days of debate. Nevertheless, I will dispense with the usual political rhetoric. When addressing the issue of firearms, I prefer reals over feels. So instead, I will share with members of this house some figures and what is proposed to be changed in these regulations that we are trying to disallow. According to these regulations, promulgated in July this year, it will cost \$259 to lodge an initial firearm licence application in Western Australia. In Victoria, it costs \$196. In Tasmania, it is only \$139 and in New South Wales and Queensland, it is as little as \$100. That is the top rate because it is the fee that applies to new firearm licences, which obviously involve the greatest amount of work and the most arduous tests. Disappointingly, we do not stack up any better with the subsidiary fees charged in WA.

I will not bore members with a long recital, but I will offer a few examples. In Western Australia, the renewal of an existing licence costs \$54; in Victoria, it is \$46, which is 20 per cent cheaper; and in Queensland, it is only \$33, which is approaching half of what Western Australia charges. A firearm collector's licence will cost \$334 in Western Australia. In Victoria, it will cost \$342 but it will be valid for five years, whereas in Western Australia licensees are required to pay an additional \$60 each subsequent year, which brings the WA total to \$574. That is a difference of \$232. In Queensland, a firearm collector's licence is only \$116, which speaks for itself. A dealer's licence in Western Australia will cost \$440. In Victoria, it will set people back only \$425 and in Queensland, only \$394. That is more than 25 per cent cheaper than here in Western Australia. Why are the police in New South Wales and Queensland able to recoup their costs and keep the public safe from dangerous individuals who may apply for a firearm licence at a cost of as little as \$100, yet the Western Australia Police Force cannot provide the same level of service and protection without charging a 160 per cent higher fee? It beggars belief. Victoria has a mandatory 28-day waiting period, but I am told that it is not unusual for a licence to be granted in 29 days—the mandatory 28-day waiting plus one day. Queensland and New South Wales are said to be a little slower. People there might wait an additional week on top of the mandatory waiting period. According to the Western Australia Police Force, there is no set time period. They cannot tell us because they do not know. The additional revenue that they are enjoying from these fees and permits are obviously not going to record keeping or efficiency measures.

My good friend and colleague Hon Rick Mazza used the recent estimates process to quiz the Western Australia Police Force on upgrades that they have been undertaking to their licensing services information technology facilities. Shooters in Western Australia have been hearing about these upgrades, albeit second-hand and third-hand, for some time now. Hon Rick Mazza was keen, as indeed I am, to know whether the new system, which was installed at a cost of almost \$9 million and costs more than \$400 000 to run each year, would result in any efficiencies or savings. Am I alone in thinking that a new licensing computer system that cost the taxpayer \$9 million and a further \$400 000 annually to maintain should be producing some mind-blowing savings somewhere down the track? It seems so.

What is making Western Australia Police Force's licensing so inefficient? Remember that our fees are not supposed to raise revenue but merely cover the costs of administering the licensing system. Have we wasted money on a computer system that requires excessive manpower to operate and manual workarounds? I must leave that to members to decide because as of yet I have not been able to pin down the Western Australia Police Force on that point. I have my doubts and I know that other colleagues share them. These latest increases have not been justified. They have simply been presented to us on the assumption that we do it every year, so why not do it again this year? I am sorry, but that is not good enough for me. We deserve to see the modelling and the efficiencies. If there are no efficiencies, we deserve to be told why we lag behind every other state and territory in this country. It is a disgrace and we should no longer be asked to tolerate it.

Western Australia Police Force has spent considerable amounts of taxpayers' money on a new whiz-bang licensing computer system that should be providing efficiencies and lowering costs, yet those costs continue to increase year on year. Until I can see why that should be the case, and until the government gets into the habit of being open with the taxpayers and law-abiding firearm owners, I have no option but to object in the strongest possible terms

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to what can only be termed an arbitrary increase. I do so today in the form of this disallowance motion and I give notice that I will continue to do so until we see some positive changes.

HON MARTIN ALDRIDGE (Agricultural) [5.56 pm]: I rise to speak briefly on behalf of the Nationals on the motion to disallow the Police Regulations Amendment (Fees and Charges) Regulations 2017 because I note that a number of members wish to speak on this issue. We have obviously dealt with a number of these disallowance motions in the previous Parliament in both 2013 and 2014. On both those occasions, Hon Rick Mazza moved the disallowance motions but we felt obliged to uphold the fees. That was largely on the advice of the report of the Joint Standing Committee on Delegated Legislation on its confirmation that the fees were indeed at cost recovery. However, through that process and working with the then Attorney General, Hon Michael Mischin, the Legislative Council secured a review of the Firearms Act by the Law Reform Commission. That was obviously a lengthy and detailed process with some 143 recommendations. Recommendation 2 of the report found that the act should be rewritten from the ground up. Obviously, they were difficult decisions to be taken in government. We upheld those fees, but with some concern, and awaited the review of the Law Reform Commission.

Earlier this year, on 10 October, I asked a question in question time of the minister representing the Minister for Police about project 105 of the Law Reform Commission. I asked whether the government was actively considering the recommendations of the report. The answer was yes. I asked whether the government had a time line for responding to the report's recommendations. The response was that it would respond in due course. I asked whether the government's response would be tabled in Parliament and the government's response was that there is no requirement to table the response. It was an answer, but not a satisfactory answer, in my view.

This issue before us today will probably not create a groundswell of activism out there amongst the community, because there is a relatively small number of firearm owners in Western Australia. Nevertheless, it should be one that we take seriously, particularly off the back of some of the issues that Hon Aaron Stonehouse mentioned about the \$8.6 million in the new licensing platform. I am sure that investment was targeted at both creating cost efficiencies and increasing the efficiency of the system. We may not be able to measure purely the outcome of that investment in a cost or a performance sense. Nonetheless, the Law Reform Commission report and its many recommendations highlighted many areas within which our system was failing us from both a performance and cost efficiency perspective. The response that was provided by the government to me in this place on 10 October gave me and the National Party little comfort that it was taking this issue seriously or that it was a priority for it.

The report of the Law Reform Commission of Western Australia mentioned that we should be careful when comparing fee structures in Western Australia with those in other jurisdictions. It was also mentioned in the report that although Western Australia runs a cost recovery model, the same may not be said in other jurisdictions. Taxpayers in other jurisdictions could well be subsidising some of those fee structures. That was one of the comments that stood out for me in the Law Reform Commission's report of October 2016, and I guess an important question is: do we use taxpayers' money to subsidise a firearms licensing system or regime, or is it important for taxpayers' money to be spent on other uses? As I said, Western Australia has a cost recovery system. The Joint Standing Committee on Delegated Legislation, at least on one occasion—maybe on two—confirmed that the fee structures in 2013 and 2014 were based on cost recovery. On this occasion, given the lack of commitment that we have certainly received from this government in question time in this place to the many recommendations in the Law Reform Commission's report, the National Party will support this disallowance today.

The DEPUTY PRESIDENT: I remind members that the whole house has until 6.20 pm to conclude its debate on this motion and the question will be put today, whether finished or not. Speakers may wish to show the appropriate courtesies to other members.

HON RICK MAZZA (Agricultural) [6.01 pm]: I would like to thank Hon Aaron Stonehouse for bringing this very important disallowance motion to the house. As members who were here last term would know, this is not the first time we have had a disallowance motion on firearms fees. In 2013, when there was quite a significant increase in fees, up to 400 per cent, the Labor Party, which is now in government, was outraged at this increase. In fact I remember standing with Hon Samantha Rowe and Hon Stephen Dawson in support of that disallowance motion, along with many other members from the Labor Party who were here during the last term of government. In fact you, Mr Deputy President, crossed the floor, on a very rare occasion, to also support that disallowance motion and put your case forward.

The DEPUTY PRESIDENT: So it is my fault!

Hon RICK MAZZA: I think your words were that it was a very clunky and inefficient system. That led of course to an inquiry by the Joint Standing Committee on Delegated Legislation, resulting in its sixty-eighth report. In the executive summary of that report, the committee identified four matters: the processing of applications for licensing fees; the opportunity for error in such processing; the noting fee for additional firearms on certain existing licences; and the costs of licences in other jurisdictions.

The other thing of note in that report is, "What is cost recovery?" In determining that, the committee said —

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- 2.2 Cost recovery is a Western Australian ... policy to recover some or all of the costs of a particular activity or product. Cost recovery is usually not undertaken with a view to generate profit and this distinguishes it from the pricing objectives of government business enterprises.
- 2.3 Used appropriately, cost recovery can provide a means of improving the efficiency with which government products and services are produced and consumed. Charges for goods and services can send an important message to users or their customers about the cost of resources involved. It may also improve equity by ensuring that those who use government products and services or who create the need for regulation bear the costs. However, cost recovery may not be warranted where:
- it is not cost effective; or
 - it would be inconsistent with government policy objectives; or
 - it would unduly stifle competition and industry innovation.

That gets back to the point about things being cost effective. When the then chair of that committee, Mr Peter Abetz, presented that report to the Legislative Assembly, he made some comments. He said —

If an agency has a costing methodology and the amended fee is under recovering or at cost recovery, then accept the increase.

On the basis of that resolution, the committee concluded that the amendment regulations are within power of the Firearms Act 1973. However, the committee received many unsolicited submissions regarding the fee increases. It considered the quantum of fees further by holding a public hearing. The committee resolved to advise the house of four controversial matters ...

I have covered those four controversial matters. Mr Abetz went on to say —

Some fees were increased by 400 per cent. I can well imagine that anyone in the community who has to pay an annual licence fee that suddenly goes up by 400 per cent would not be ... thrilled with that prospect.

Many in the firearms community certainly were not thrilled by that prospect.

That then led, of course, to the former government commissioning a review into the Firearms Act by the Law Reform Commission of Western Australia. A number of matters were covered within the Law Reform Commission's report. One of those surrounded efficiencies. Hon Aaron Stonehouse pointed out that I received an answer that a new system was put in place at a cost of \$8.6 million. That covers security guards and pawnbroking, but predominantly it covered the firearms registry. The idea of putting that system in place was obviously to create efficiencies in the times that processing would take, without jeopardising the security of the firearms registry system, and to bring costs down over time. That has not happened. All we have seen is a continuation of fee increases, albeit this one is only CPI. There has been a steady increase; there has been no significant reduction over that time. The processing times are no more efficient. The Law Reform Commission—I am basing this on my memory—suggested that within 12 or 18 months of that system being in place there should be a review and police should provide information on the performance of that system. I think that system has been in place since April last year. We are yet to see that review. I will be supporting this disallowance motion. I have a lot more to say on it but I am very mindful of giving time to other speakers.

The DEPUTY PRESIDENT: The member is right; there are other speakers. Hon Tim Clifford will now speak to the motion.

HON TIM CLIFFORD (East Metropolitan) [6.07 pm]: I will be extremely brief. The Greens will oppose this disallowance motion. The fee increase is simply a CPI increase. The regulations should be held up on that basis. I understand that there are a lot of issues with regard to the structuring of these fees. I look forward to working with Hon Aaron Stonehouse in the future to make sure that we get better outcomes around this regime.

HON MICHAEL MISCHIN (North Metropolitan — Deputy Leader of the Opposition) [6.07 pm]: I rise to indicate that from the perspective of the opposition we will not be supporting the disallowance motion. That is not to say that we do not agree with many of the matters that have been raised by Hon Aaron Stonehouse and Hon Rick Mazza, and by the Nationals. We have our concerns about how the firearms licensing system is operating and whether it is operating effectively, and what steps are being taken, if any, to remedy the situation having regard to the money that has been devoted to it by the government, and also the response to the Law Reform Commission of Western Australia's report, which I tabled in this place at the end of last year. It was a report that had been prepared following an enormous number of contributions. I think it was the largest number of submissions ever received for a Law Reform Commission report. It took the commission quite some time to go through them in order to develop a case and recommendations, and, unfortunately, the Liberal Party never had the opportunity to

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implement that when it was in government, given the timing of the delivery of the report. But at least before Parliament rose, and indeed I think from memory before I had even received an official copy of it, I ensured that it was before the house and available for public scrutiny.

However, these increases do not relate to just firearms. The regulations that are being sought to be disallowed also provide for changes to the fees for pawnbrokers and second-hand dealers, in respect of security licensing and related activities, and also various other fees collected by police. I have not done the calculations myself, but judging from the increase over the last fees that were set, which I think was in July 2014, the increases are relatively modest and I suspect that they accord with the consumer price index at most. Of course, the question of whether they are a cost recovery is dealt with by the Joint Standing Committee on Delegated Legislation and can be the subject of scrutiny. I think that the other matters that have been raised are properly the subject of debate and we would support a motion to debate in this place the issues of what is going on with the firearms licensing regime. Looking at the answers to questions that have been posed by honourable members, we do not believe that disallowing these modest cost-recovery increases is necessarily the best way of achieving action on that and that it will create more problems for the administration of the system. Although we sympathise with the arguments, as I have indicated, the Liberal Party, as the opposition, cannot support this disallowance that has been moved about these fees.

HON COLIN TINCKNELL (South West) [6.11 pm]: Very briefly, we will be supporting this disallowance motion. Although it is a minor increase, we can see in the figures that WA is clearly more expensive than other states. The One Nation party will be supporting Hon Aaron Stonehouse's disallowance motion.

HON STEPHEN DAWSON (Mining and Pastoral — Minister for Environment) [6.11 pm]: I thank everybody who made a contribution this afternoon. I indicate that the government opposes this disallowance motion.

A number of members have raised some very interesting and, indeed, important issues this afternoon. The Law Reform Commission's report is still being considered by the Minister for Police. I will bring to her attention the comments made about that by a number of members, particularly Hon Martin Aldridge. Hon Rick Mazza knows that I take a keen interest in these issues. I did in opposition and I do in government. These fees are limited to the consumer price index. In fact, some of them range from about 1.38 per cent up to 1.75 per cent, which is the CPI for the year. They are not massive or onerous, but I grant that there are concerns in the community about licensing arrangements across the state. The Minister for Police takes these issues very seriously. She has met with a number of members in this place, including a number of members who have spoken tonight. She is working to address those issues as quickly as possible, particularly about the regulation of licensed firearm holders and licensed firearms. This government is dealing with a legacy of firearm licensing issues and a dire budget situation but these fees are minimal and they will contribute towards cost recovery. The advice I have received is that these will bring us up to about 90 per cent of cost recovery, so we are not overreaching for fees. We are simply trying to recover costs, which is an appropriate model moving forward.

Members continue to raise issues about processing times. The minister is focused on addressing those issues and the government will have more to say about those in the new year. I place on the record that of the 2017–18 firearm fees, seven fees are being increased by \$1, three fees are being increased by \$2, four fees are being increased by \$3, one fee is being increased by \$4, two fees are being increased by \$5, one fee is being increased by \$6, one fee is being increased by \$7, and three fees are being increased by \$8. These fees will equate to around 90 per cent of the costs involved. The remaining costs are met by the current police budget.

It is an important debate. Hon Michael Mischin indicated that he would support further conversations in this place and the government certainly would too. Some important changes are happening. There is more to be done. As I said, the minister is working on a response to the Law Reform Commission now. I look forward to hearing further contributions on this important issue moving forward.

Division

Question put and a division taken with the following result —

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Ayes (8)

Hon Martin Aldridge
Hon Jacqui Boydell

Hon Colin de Grussa
Hon Rick Mazza

Hon Robin Scott
Hon Charles Smith

Hon Colin Tincknell
Hon Aaron Stonehouse (*Teller*)

Noes (23)

Hon Ken Baston
Hon Robin Chapple
Hon Jim Chown
Hon Tim Clifford
Hon Alanna Clohesy
Hon Peter Collier

Hon Stephen Dawson
Hon Diane Evers
Hon Donna Faragher
Hon Adele Farina
Hon Nick Goiran
Hon Laurie Graham

Hon Alannah MacTiernan
Hon Kyle McGinn
Hon Michael Mischin
Hon Simon O'Brien
Hon Tjorn Sibma
Hon Matthew Swinbourn

Hon Dr Sally Talbot
Hon Dr Steve Thomas
Hon Alison Xamon
Hon Pierre Yang
Hon Martin Pritchard (*Teller*)

Question thus negatived.