

Legislative Assembly

Thursday, 12 September 2002

THE SPEAKER (Mr F. Riebeling) took the Chair at 9.00 am, and read prayers.

WINDY HARBOUR, ELECTRICITY SUPPLY

Petition

Mr P.D. Omodei presented the following petition bearing the signatures of 175 persons -

To the Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, say:-

That electricity supply to Windy Harbour is absolutely essential to provide a safe community with what is taken for granted in any modern community of today.

We the undersigned have been visiting and using facilities at Windy Harbour for a number of years and it is now urgent that this community be provided with power for a host of reasons including -

Emergency Services, communication, safe camping, residential accommodation, tourism, management of the D'Entrecasteaux National Park, protection of water supply, employment, commercial requirements, safe anchorage and public lighting.

The residents of Windy Harbour (leaseholders) are prepared to contribute significant funds to provide this service, however, there is a shortfall that should be funded by Government.

Now we ask that the Legislative Assembly -

To communicate our wishes the State Government and further calls on the State Government to work collaboratively with the Commonwealth Government and State Government Agencies to appropriate sufficient funds to ensure that this essential services is provided to the community of Windy Harbour and the large number of people who live and visit this area.

[See petition No 15.]

NUCLEAR WASTE, IMPORTATION INTO WESTERN AUSTRALIA

Petition

Mr J.N. Hyde presented the following petition bearing the signatures of 17 persons -

To the Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, condemn the Federal Howard Government in its moves to allow nuclear waste to be imported into Western Australia.

We believe that the Federal Howard Government's search for a suitable location to store intermediate level radioactive waste should not include our state. Western Australia will not accept an imported radioactive waste facility.

Now we ask that the Legislative Assembly take every appropriate action to condemn these moves, and reaffirm Western Australian Legislation banning the importation of any radioactive waste.

[See petition No 16.]

DNA PROFILING, OUTLAW MOTORCYCLE GANGS

Statement by Minister for Police and Emergency Services

MRS M.H. ROBERTS (Midland - Minister for Police and Emergency Services) [9.04 am]: I will update the House on various matters concerning the application of DNA profiling as a law-enforcement tool and issues relating to outlaw motorcycle gangs. Members may be aware that the DNA legislation that has come into effect in this State has already had a significant impact on law enforcement. While the precise benefit has yet to be quantified, we are already seeing evidence of it.

DNA profiling is already proving to be one of the most important weapons available in the fight against crime. As members are aware, it has the potential to have a profound effect on the level of offending and clearance rates. DNA samples taken from serious offenders have already been linked to 160 unsolved crimes. This is a tremendous result

given that back-capture began only two months ago. Since this Government was elected, significant police resources have been devoted to combating OMCGs. Members will be well acquainted with the success of the Police Service, particularly officers attached to Operation Zircon.

Recently I travelled to the United Kingdom to examine the operation of DNA profiling. I also travelled to Canada to examine programs targeting OMCGs. The purpose of these visits was to learn from the experiences of these jurisdictions in dealing with problems that are being encountered in Western Australia. Of particular interest were the lessons learnt from the experience of the UK in DNA sampling. Since 1995, police in the UK have had access to DNA profiling as a crime-fighting tool, particularly through a national DNA database that can identify criminals in any part of the country from crime scene samples. One of the UK Government's 2002-03 initiatives will be to expand the use of DNA profiling as a crime-fighting tool.

In Canada, a number of initiatives have focused on combating OMCGs. Canada has had problems with OMCGs for the past 40 years. A number of programs were evaluated, including intelligence-led operations and joint-force operations targeting the inter-provincial and international illegal activities of OMCGs.

In summary, the visits achieved many central objectives. First, in Canada, I examined and evaluated the latest operational and legislative tools being engaged to fight organised crime, particularly outlaw motorcycle gangs. The Governments of Quebec and Ontario have implemented a number of initiatives in this regard. Secondly, and also in Canada, I looked at emergency response programs, particularly fire response programs and equipment. Thirdly, in the United Kingdom, I examined and evaluated the implementation of DNA as a crime-fighting tool and the operational use of information technology systems similar to the systems currently being rolled out across the Western Australia Police Service. Finally, I examined the implementation of a number of road safety programs in Dublin and the Republic of Ireland that may be applicable to Western Australia.

A great deal of the public policy examined in these jurisdictions may be applied in Western Australia to address this State's public safety and security issues. I refer members to the report on the trip, which will be published by the Department of Premier and Cabinet and in which these matters are referred to in greater detail.

OVERSEAS TRAVEL

Statement by Treasurer

MR E.S. RIPPER (Belmont - Treasurer) [9.08 am]: Between 30 June and 8 July this year I travelled to Canada, the United States of America, the United Kingdom and the Republic of Ireland. In Alberta I met with the Minister for Revenue and a number of other officials in the areas of intergovernmental relations, native title and energy. The overriding fiscal issue confronting Alberta is the practice of cost shifting by the federal Government to the Provinces in the area of health. This has occurred to such an extent that provincial Governments have been required to seriously cut back services in other areas.

The Canadian experience sends a strong message to Western Australia, which is being subjected to increasing commonwealth cost shifting in areas such as training and health. Alberta's recent experience of deregulating its retail electricity market will also provide important guidance to the proposed deregulation program in Western Australia.

In New York I met with Moody's Investor Services to discuss issues associated with the State's AAA credit rating. This meeting provided good guidance about matters of specific concern to Moody's in the management of the State's debt position. A meeting with Goldman Sachs in New York provided some valuable insights into the medium-term outlook for the US economy and for economies in the Asia-Pacific region. The information gained through this meeting will assist the Department of Treasury and Finance to prepare its forecasts for currencies, commodity prices and state revenue.

In London I held meetings with the Rt Hon John Spellar MP, the Minister for Transport, the UK Treasury, the Department of Transport, the London Underground, KPMG and the Macquarie Bank. These meetings were designed to draw upon the experiences of public and private sector personnel who have hands-on public-private partnership experience. The Western Australian Government will release its PPP policy in the next few months, and the policy development process has been enhanced through contact with these professionals.

In Dublin I held meetings with electricity generation, transmission and regulatory bodies. The electricity market in Ireland is similar in size and structure to that in Western Australia, and the interaction with the players in the Irish market provided me with a good overview of the types of issues that could emerge in the transition to a deregulated environment. The regulatory aspect was particularly valuable. In addition to the information gained through all these visits, a number of valuable ongoing working relationships have been established. I am particularly grateful to Goldman Sachs for providing its global economic commentary to the Department of Treasury and Finance during our visit, and the United Kingdom Treasury for offering to provide the Department of Treasury and Finance with free access to its PPP extranet. A detailed report will be provided to the Director General of the Department of the Premier and Cabinet, in accordance with the Premier's instructions on overseas travel.

RESIDENTIAL TENANCIES ACT 1987, REVIEW*Statement by Minister for Consumer and Employment Protection*

MR J.C. KOBELKE (Nollamara - Minister for Consumer and Employment Protection) [9.12 am]: The Government is proceeding with its statutory obligation to review the Residential Tenancies Act 1987. In February 2002, I released a public discussion paper asking how we might improve the operation of the law to better protect Western Australians who, through choice or circumstance, use rental accommodation in its various forms to house themselves and their families. Today, I am tabling the outcome from this stage in the process to upgrade this important Act. The independent consultant, Stamfords Advisors and Consultants Pty Ltd, engaged to conduct the public consultation and make recommendations, recently provided its report of the statutory review of the Residential Tenancies Act. The report from this firm contains more than 180 recommendations on the operation and relevance of residential tenancy laws. I am aware that, statewide, many people provided comments at meetings and different forums. In addition, upwards of 125 submissions were received, and this report represents Stamfords' view following these detailed consultations. On behalf of the Government I thank all individuals, representative associations and businesses who have contributed to the review process.

The Government is also on record as committing itself to introducing into residential tenancy law, protection for people living in caravan parks and park homes. I am pleased to note that the report's recommendations address these types of tenancies. The report's recommendations also deal with key areas of contention such as dispute resolution, the rights and obligations of both owners and tenants, and grounds for the termination of residential agreements.

Before settling on the Government's position, I will provide the Western Australian community with the opportunity to further assist us in shaping residential tenancy laws. In tabling the report today, I am announcing the commitment to a three-month consultation period that will end on 12 December 2002. This period will provide the opportunity for members of the public and industry stakeholders to provide comment on Stamfords' report. The Government recognises that the report deals with a number of contentious issues on which stakeholders hold some highly divergent views. However, in making any decisions, the Government will aim to balance the often conflicting views and circumstances of those who fall within the regulation of the Act. We are proceeding methodically with this review and are on target to introduce amending legislation into Parliament in our first term to ensure enhanced consumer protection on this most fundamental of needs. I have recently arranged for several hundred stakeholders identified during the review process to be advised of this consultation process. The advice confirmed that copies of the report can be obtained from the Department of Consumer and Employment Protection via its web site, and indicated that comments about the report should be forwarded to the department.

I table the report of the statutory review of the Residential Tenancies Act 1987.

[See paper No 223.]

VOLUNTEER RESOURCE CENTRES, GRANTS*Statement by Minister for Community Development, Women's Interests, Seniors and Youth*

MS S.M. McHALE (Thornlie - Minister for Community Development, Women's Interests, Seniors and Youth) [9.15 am]: I am pleased to inform the House that last week I announced the successful applicants for the volunteer resource centre small grants program.

Mr P.D. Omodei: And a fine job you did too.

Ms S.M. McHALE: I thank the member for Warren-Blackwood. These one-off grants have been made available to not-for-profit community-based organisations, groups and clubs based in Western Australia with the aim of encouraging and strengthening volunteer participation in local communities. These grants will support existing volunteer resource centres and help establish new centres. The State Government recognises that volunteer resource centres play a vital role in supporting volunteer opportunities across a range of organisations and projects. These grants will encourage greater community participation and volunteering, particularly the involvement of young people, and promote volunteering across the State. These grants are part of the Gallop Government's commitment under its valuing volunteers policy to support a range of volunteer organisations and activities.

The grants were advertised extensively throughout the State, and organisations were required to outline how they planned to use the money in order to receive a grant. A total of 64 applications were received and 15 organisations have been allocated funding, totalling \$360 000. Eight of these grants went to country areas, in recognition of a high rate of volunteering in country communities. As a consequence, special consideration has been given to submissions from country and rural organisations and to submissions that demonstrate that they will involve young people. In fact, \$190 000 has been allocated to country areas. For instance, the City of Albany plans to introduce the Yvolunteer program into schools. Yvolunteer provides young people with opportunities to do volunteer work in their local community. The City of Fremantle application proposes to develop a new centre that will tap into the vibrant and distinct community life of Fremantle. The proposed model is based on well-established infrastructure and expertise and focuses on activities and services to directly target and involve young people. The successful recipients were the Cities

of Armadale, Cockburn, Joondalup, Fremantle, Melville, Nedlands and Swan. The eight country services providers were the City of Albany, the Esperance Volunteer Resource Centre, the Geographe Naturaliste Volunteer Centre, the Manjimup Volunteer Resource Centre, the Nannup Telecentre, Peel Volunteer Referral Agencies, the Town of Port Hedland and the Wickepin District Resource and Telecentre.

LABOUR RELATIONS REFORM ACT 2002, PROCLAMATION

Statement by Minister for Consumer and Employment Protection

MR J.C. KOBELKE (Nollamara - Minister for Consumer and Employment Protection) [9.17 am]: Last month I informed the House of the proclamation of most parts of the Labour Relations Reform Act 2002. Today, I wish to inform the House of the proclamation of the remaining parts of the Act. Parts 2 and 3 of the Act, which bring about the phased cessation of the workplace agreements system and provide for the introduction of the employer-employee agreements system respectively, will commence on 15 September 2002. The regulations necessary for establishing EEAs will also commence on that day. The Western Australian Industrial Relations Commission has published the principles and guidelines for the no-disadvantage test, which are available on the commission's web site. The NDT is necessary for the making of EEAs. Advertisements have been placed in *The West Australian* and rural newspapers informing readers of the commencement of these provisions and directing them to the commission's web site for information on the NDT.

It is with some satisfaction that I record the demise of the workplace agreements system - an inadequate and discredited labour relations system that failed to deliver fair and balanced outcomes for many employees. As I indicated last month, the Department of Consumer and Employment Protection is continuing to provide information on the provisions of the Act to employers and employees through its WageLine service, its highly successful series of metropolitan and regional seminars, its web site and pamphlets, and its education officers who are providing one-on-one advice to individual and industry-based groups of employers. The Government is committed to ensuring that a smooth transition occurs for parties moving from the workplace agreements system to the award-based system, enterprise bargaining agreements or the fairer employer-employee agreements. To that end, members and the public at large, but particularly employers and employees, should be reassured that guidance is available through DOCEP's resources to assist them to deal with any transition issues.

I further notify the House that as part of the process of updating and strengthening the award system, DOCEP is providing cash grants to organisations that are serious about updating the award system, consistent with the requirements of the Act. Preference has been given to joint applications from employers and unions and when large multi-employer awards are identified for the updating process. The grants are expected not to provide for all the costs involved in this process but to provide a form of "pump priming" to assist the successful applicants to undertake the tasks set out in the Act. To ensure the purpose of the grants is achieved, the funds will be released progressively on the achievement of key milestones within agreed time frames. A total of 12 grants have been made available to both employer and employee organisations. If all recipients formally agree to the terms and conditions and successfully complete the updating process, the grants will total \$258 000.

The full implementation of the Labour Relations Reform Act will lead to a fairer, balanced and more productive labour relations system serving the interests of employers, employees and the wider Western Australian community.

AUSTRALIAN TRANSPORT COUNCIL

Statement by Minister for Planning and Infrastructure

MS A.J. MacTIERNAN (Armadale - Minister for Planning and Infrastructure) [9.19 am]: I report to the House on the recent Australian Transport Council meeting held in Auckland, New Zealand. I have already reported the case I presented at that conference for a better deal for Western Australian infrastructure funding.

The main focus of the meeting was the proposal by federal minister John Anderson to change the transport infrastructure funding arrangements between the Commonwealth, States and Territories. This proposal, AusLink, was announced in May 2002, regrettably without any discussion or consultation with the States.

While supporting the principle behind the AusLink proposal, which involves a national transport plan, I was very concerned that AusLink, in its original form, would have disadvantaged Western Australia even further in its ability to access much-needed transport infrastructure funding. I have also been very concerned by the proposal by Minister Anderson to withdraw the Commonwealth's responsibility for the national highway network. After some very robust debate, the ministers agreed to move forward collaboratively to develop a national transport plan and a green paper; and, at the same time, the state and territory ministers reaffirmed their belief in the fundamental principle that the federal Government should retain full funding responsibility for the national highway system.

The Commonwealth has convened meetings with representatives of the States, local government, the Australian Logistics Council and the National Transport Secretariat for consultation prior to development and release of the green paper. These meetings have apparently been very positive. State and territory ministers will meet with the Deputy

Prime Minister next week, prior to the release of that green paper. I will continue to put forward WA's case in the strongest possible terms.

The meeting endorsed moves to reconfigure transport commissions and regulatory agencies - to cover road and rail - to provide greater mode neutrality and to create greater integration of the infrastructure. We also had discussions on heavy vehicle safety generally and the need for sustainable rates for the heavy haulage industry. Those matters are now being considered by the Standing Committee on Transport.

I continue to be frustrated by the lack of action at a federal level on the issue of locomotive visibility, and it does not seem to be an issue of particular concern in other States. However, they have now agreed that the rail group of SCOT should develop a strategic approach to managing the full range of level-crossing issues. This will include consideration of the best ways to make level crossings safer and provision of disabled access, and will involve consultation with the rail industry. That group will also review research on train lighting and visibility, and report back to the November meeting of the ATC. Other items discussed included -

- agreement in principle to build upon the National Road Transport Commission for a cooperative regulatory framework;

- the endorsement of the introduction of new performance targets for the interstate rail network;

- the development of a national standard for bullbars as soon as possible and that, following its development, States and Territories consider the issue of penalties for driving vehicles with non-compliant bullbars; and

- a national strategy for lowering emissions from urban traffic and a national action plan to support the strategy.

GRANT STREET AND LOCH STREET STATIONS, PART CLOSURE

Grievance

MR C.J. BARNETT (Cottesloe - Leader of the Opposition) [9.22 am]: My grievance is to the Minister for Planning and Infrastructure and concerns a decision to stop services on weeknights and weekends at Loch Street and Grant Street stations. Before I begin, I acknowledge the presence in the Speaker's gallery of Ms Victoria Wardlaw. I commend her not only for her courage in taking a public stand for people with a disability, but also for pursuing her cause through the Equal Opportunity Commission. I also welcome in the gallery representatives of the Town of Claremont and a number of constituents from both Claremont and Cottesloe who have been affected by this decision.

Westrail and the Government decided in an abrupt manner to stop train services at Loch Street and Grant Street stations after 7.00 pm on weekdays, and to stop all services at those stations on Saturdays and Sundays. That decision came into effect on 18 August. There was no prior consultation or discussion with Westrail patrons. Indeed, all that happened was that notices on A3 pieces of paper were put up in rail stations with bits of sticky tape. Indeed, even the Town of Claremont, which has a partnership agreement on transport to try to promote public transport and which contributes financially to that, was not consulted. It is an appalling exhibition of arrogance and disregard for the people who live in my electorate and who use an excellent public transport service.

A variety of reasons have been offered by both Westrail and the minister for these services being stopped so abruptly. Arguments have been put that it will reduce travel time on the Fremantle to Perth line. A train stops at a station for around 70 seconds, on average. In 12 years as the member for Cottesloe, not one of my constituents has complained about the length of travel time on that service. No-one would complain if that service took two minutes longer, because the train provides a service to residents near Grant and Loch Streets.

Figures on patronage have been produced that show that the number of people using those stations does not make them viable. That is an interesting and spurious argument. It is argued that on the Fremantle to Perth line, patronage has increased by 22 per cent since 1998 - the greatest increase of any of the metropolitan lines. If patronage is increasing, surely that is a sign of success and of endorsement of that rail service. Increased patronage is something to celebrate. Why cut the service when the patronage is increasing? Indeed, the weekend travel has increased by 17 per cent on Saturdays and 30 per cent on Sundays, yet the service is being cut. When the trains go by on the weekend, most of them are probably only a quarter full. Why stop those trains at weekends when time is certainly less important? Why not allow people to use them?

Arguments have been made about platform limitations. The Fastrak rail service was introduced in 1992. Those trains have used Loch Street and Grant Street stations since 1992. Why is this suddenly a problem? It does not make sense. If four-carriage sets are used, it is true that the platforms at these stations are not long enough for four carriages to open. At those stations, the two middle carriages can be opened. No-one is necessarily arguing that every single train should stop at those stations every time or that every single carriage should open. All around the world are stations at which only a limited number of carriages can open. It is not beyond the wit of mankind and it is no great technological mountain to overcome. Four-train and two-train sets can be interchanged, or the platforms could be adjusted. They could be extended or safety barriers, or whatever is required, could be installed. The arguments put forward do not stack up.

Now the minister has introduced an argument that it is all about cost savings; that is, it is about saving \$300 000 by cutting services to my constituents. Indeed, one of the responses from the bureaucracy was that people should catch a bus. It is a bit like Marie Antoinette saying, "Let them eat cake." That was of little comfort to people around Grant Street when the bus services on routes 71 and 72 were cut about two months ago. Many people in that area do not have a bus service. The bus services in the area have been cut, now the rail service has been cut, and people are told to catch the bus.

There are also issues concerning the location of the stations. I recognise that the stations are relatively close together. It is an old rail system. However, there is no safe pathway to enable people to walk from Loch Street, for example, to Karrakatta, and there is no street lighting. Young and elderly people are being asked to walk past a deserted cemetery at night or past the deserted showgrounds. It is not a populated, residential area; it is not safe. Indeed, dare I remind the minister of the attacks and murders that happened in the Claremont area. People in my electorate are concerned for not only their own safety but also the safety of young people, particularly young women, in the area. I have received numerous complaints. About 200 people attended a public meeting in Claremont last weekend. This is not just about a handful of people using a train service. Young students, people with part-time jobs and young kids who go to clubs and pubs are affected.

There is also the question of beach access from Grant Street. People from all around the metropolitan area use Grant Street to access the beach. This summer, the kids with their surfboards will not be able to get to the beach from Grant Street station. That affects not only residents in my electorate, but also people across the metropolitan area. People like to go out at night and have a glass of wine or a meal, or go to the theatre. That is now denied them.

I refer to the location of Loch Street station. The minister may be interested to know that her colleague Hon Tom Stephens wants more social housing in the western suburbs. Homeswest deliberately built 66 accommodation units for seniors in the vicinity of Loch Street station because it was served by public transport. Now that service has been reduced. Also, Wescare provides employment and training opportunities for people with an intellectual disability. Those people also use that station. They will now not be able to access that facility properly. Let me provide some examples. These are not my words but the words of my constituents. Keith and Louise Weston make the point that wheelchair access is limited at Karrakatta. Mr and Mrs Jones state that he has been diagnosed with a chronic neurological disorder and is no longer able to drive; his independence has been taken away. Mr and Mrs Nash say that disabilities prohibit them from walking the distance between Karrakatta and the next station; they are becoming prisoners in their own home. I have dozens of these examples. Rose Thompson says that Transperth has told her to catch a bus - there is no bus. Councillor Anita Lorenz says that if the platforms are long enough prior to 7.00 pm on weekdays, they must also be long enough after 7.00 pm on weekends. That is a pretty telling and obvious point. Here is someone who says he will give me his vote if I can sort out this nonsense with the closure of Grant Street railway station. He says his kids go to Curtin University and he is not happy with them walking home in the dark. The minister might know him - a Mr Dowding. Neil Howart says that Mt Claremont is getting more housing and that lots of teenagers live in the area; they use the trains all the time.

The minister's response this week has been to put on a shuttle service. People who have a disability do not want a shuttle service; they want to catch the train at the station with their friends and family like everyone else. A shuttle service is not the result they are looking for. The minister should do what she is now considering; that is, restore services - not necessarily every train, but a night service and particularly a weekend service so that people can use what is an excellent electric train service.

MS A.J. MacTIERNAN (Armadale - Minister for Planning and Infrastructure) [9.31 am]: I am pleased to see that the member for Cottesloe is such a passionate advocate for the Perth-Fremantle rail line and a strong supporter of the decision made by the previous Labor Government to reinstate that line, which had been closed down by his party. I am glad to see that we have a Saul on the road to Damascus.

Mr C.J. Barnett: I do not think the people in the gallery want to hear your sarcastic remarks.

The SPEAKER: Order, members!

Mr C.J. Barnett: I do not think they like you very much.

Ms A.J. MacTIERNAN: I am genuinely very pleased at the member's conversion to rail. The detail of these decisions was made by Western Australian Government Railways. I understand the rationale for the decision and I support the principle behind it. I have looked at this matter in detail and I do not -

Mr C.J. Barnett: Did you make the decision?

Ms A.J. MacTIERNAN: Mr Speaker, I did allow the member for Cottesloe a free run. This is a complex argument. I know he has difficulty grasping detail, but I want an opportunity to present this matter to him. I have done so twice already in the House this week, but he is struggling a little so I will go through it again.

I have listened to and read the representations that have come from various people, including Victoria Ladlow and Sally Byrne. Unfortunately, we were not invited to the meeting, but we had representatives there and I met with them

immediately after to go through the concerns that were listed. I admit that I do not get involved in every timetable issue. There are ways in which we can do this better and achieve the same outcomes.

I wish to explain some of the distinct issues. The first is the proper servicing of that rail line on weekends. As the member for Cottesloe said, dramatic increases in patronage have occurred on the Fremantle and Midland lines on weekends. In Subiaco, patronage is up 90 per cent, in Cottesloe it is up 64 per cent and in North Fremantle it is up 18 per cent. We have traditionally run two-car sets on that line so that we can stop at every station. We cannot service that demand using two-car sets - the volume is simply too great. We wanted to move to four-car sets on weekends so we could service that increased demand. The compromise was that we could not stop at Loch Street and Grant Street stations with four-car sets.

Mr C.J. Barnett: The trains are generally empty on weekends.

Ms A.J. MacTIERNAN: The member has obviously not been travelling on the trains, otherwise he would know.

Ms S.E. Walker interjected.

The SPEAKER: Order, member for Nedlands!

Ms A.J. MacTIERNAN: The member for Cottesloe is not interested in listening to the argument. We have seen vast increases. As I said to WAGR and as I announced last weekend after that meeting, there are ways to do this. I have asked WAGR to come up with a revised schedule under which, on the weekends, one train in four would revert to a two-car set so it could stop at Loch Street and Grant Street stations. That will reduce the level of service we will be offering to the rest of the line. However, I take note of the arguments that have been raised about people with disabilities and people who have located to that area specifically for that reason. Unfortunately, it will take a few weeks to implement those timetable revisions, but I give an undertaking to do that. The evening service is a different issue and involves a fundamental question of cost. We have enormous unmet need. We have places in the outer suburbs, such as in the seats of Ballajura and Southern River, that have had no evening or weekend services at all. We want to provide a degree of equity across the metropolitan area. The area we are talking about is quite well serviced compared with many other metropolitan areas.

I have listened to the arguments that have been presented, particularly concerning people with disabilities, and I have instructed WAGR to implement a shuttle service. Every year those two stations close down during show week so the four-car sets can run to take people to and from the showgrounds, and we provide shuttle buses to link those two stations with the others. I have said I want that procedure introduced before the show, as from the sixteenth. Those buses will be of the low-floor disability type so that people with disabilities will not be disadvantaged. We can reconfigure those services at night by providing A and B trains, which may mean that we can eventually do away with that shuttle service.

Mr C.J. Barnett: Why didn't you think about those issues before you decided to go in like a bulldozer and cut the service?

Ms A.J. MacTIERNAN: I am pretty good; I have a pretty large capacity. I work 16 hours a day and I have the equivalent of three portfolios that existed in the previous Government. However, I confess that I do not run every timetable on the Perth metropolitan rail and bus system - mea culpa. I accept that the ultimate responsibility rests with the Government. I wish we had been invited to these public meetings, but we had someone there who took notes, and I have looked at them in detail. I believe we can achieve the same outcome and equity across the metropolitan area with some reconfiguration of services. I would have thought the member for Cottesloe -

Mr C.J. Barnett interjected.

The SPEAKER: Members!

Ms A.J. MacTIERNAN: If the member for Cottesloe were genuinely concerned about his constituents - I thought for a moment he might have been - he would be pleased to see that we have listened to those concerns and we are restructuring the service to take those concerns into account. I suspect he is a grumpy old chap and is not interested in the issues.

Mr C.J. Barnett: That is a sarcastic personal attack once again.

The SPEAKER: Members! During grievances members have limited time available, and interjections reduce that time. It is disappointing when speakers still have things to say at the end of their seven minutes, and that is usually because of interjections. I ask members to try to be silent during grievances.

ALBANY, BUILDING INDUSTRY

Grievance

MR P.B. WATSON (Albany) [9.39 am]: My grievance is to the Minister for Consumer and Employment Protection. I recently attended a meeting of builders in my electorate of Albany. The Deputy Leader of the Opposition, the shadow Minister for Small Business, was also there. I had hoped he would raise these issues in Parliament, because he came to Albany especially for our meeting, but unfortunately he has not passed these concerns on to anyone.

Builders have grave concerns about how indemnity insurance is impacting on their livelihoods. The main point is that builders in my electorate of Albany query why they have to pay indemnity insurance at all. It is paid out only on death, bankruptcy or when a builder shoots through, and most builders are paid only after the job has been finished. One suggestion is that consumers who do not want indemnity insurance could sign a disclosure form. If this practice were introduced, the Builders Registration Board of WA could be toughened up so that inspections of houses are done in stages, such as when the pad is put down or framework erected.

Mr J.L. Bradshaw: Why did you not support our legislation earlier in the year?

The SPEAKER: Member for Murray-Wellington!

Mr J.L. Bradshaw: He is a hypocrite!

Withdrawal of Remark

The SPEAKER: I ask the member for Murray-Wellington to withdraw that remark.

Mr J.L. BRADSHAW: Mr Speaker, he is a hypocrite.

The SPEAKER: The member will withdraw that remark now or I will name him.

Mr J.L. BRADSHAW: I withdraw it.

Debate Resumed

Mr P.B. WATSON: I am only passing on the concerns of my constituents. I am not saying that they are right or wrong.

Another major problem in Albany concerns apprentices. Six or seven apprentices will leave Albany this year. Apprentices are the lifeblood of the future building industry in our region. None of the project builders in our area employs apprentices. Subcontractors do not employ apprentices. If we do not look after our small builders, no young local builders will come out of our region.

I will outline some of the points that have been raised by builders in my area. The problems builders face are not so much to do with the inability to obtain insurance but, rather, the restrictions that are placed on them. At present only two insurance companies provide indemnity insurance. One is Sun Alliance and the other is Reward Insurance Ltd. Sun Alliance requires equity of 10 per cent of the turnover limit given to builders. The information I have received is that Reward Insurance Ltd requires 20 per cent. This equity requirement applies to companies, partnerships and sole traders alike, and is causing concern to many builders, especially those who operate under a company structure. A recent case in the local papers was that of a company that has operated successfully for more than 10 years, has won more awards than any other builder in the town, and which now has been told that it cannot build more than \$1.3 million worth of projects in a 12-month period. That company previously turned over \$4 million worth of work. Another problem with indemnity insurance is that the turnover limit imposed on builders relates to the amount covered by the certificates that are issued in any given 12-month period. These projects do not come off the insurance list until 12 months after they are issued, even if a project is completed in six months. This results in the builder being restricted even further. In other words, the \$1 million turnover effectively gives the builder only \$600 000 or \$700 000 in turnover each year.

There are other problems. When a builder is given a profile, restrictions are placed on the type of construction that can be undertaken. For example, he can undertake \$200 000 worth of work on units, \$300 000 on additions and \$500 000 on new homes, with the maximum value of one construction being \$200 000, regardless of whether the builder has previously undertaken bigger projects. When a builder goes through a reassessment and states that he does work for architects, he is required to produce references from architects and engineers and state the start and completion dates of projects. It is like applying for builders registration all over again. One would think that, to be eligible to do tender work for architects, the builder would have a good reputation and experience. When a builder goes through a bad year, it will be hard to make it up in the following year because his equity, and, therefore, his turnover profile, have been reduced.

The amount of equity required and the restrictions placed on builders have almost made the insurance risk free, so why is there a need for insurance? The Government has underwritten any payout over \$10 million for insurance companies, which will greatly assist many large builders. With the 10 per cent equity requirement and the maximum liability of insurance companies set at \$10 million, smaller builders feel that their eligibility criteria is not equal. Although help and assistance seem to be given to the large builders, none is given to the small builders. Many builders have been given builders registration by the government-appointed board. They met the required criteria and were given an unrestricted licence. However, insurance companies are now restricting their trade. Previously, builders were able to have a certain turnover. They are now restricted, some to the point of being unviable. Conflicting reports and information often come from insurance companies. Very little communication occurs directly between builders and insurance companies. Unwarranted delays are experienced in getting profiles, eligibility and assessments, with some taking months to complete. At present, it takes 12 weeks for the insurance company to complete a new application. There are only two insurance companies, which means that there is no competition. Therefore, the insurance companies are able to dictate terms and impose restrictions without being challenged.

The builders provided me with 10 points at that meeting. They ask why indemnity insurance is needed, because most builders are not paid until the job is finished. They want the Builders Registration Board to be toughened up, and for builders to be able to underwrite themselves. They were concerned about apprentices in the region. They said that on a \$200 000 project, large builders pay \$240 for indemnity insurance while small builders pay \$1 000. Albany is different from the city; there are a lot of small builders down there. Albany does not have any of the major builders, so the lifeblood of the local industry is the small builders. They feel that they are caught up in the net set for Mansard Homes, and that this is stopping small businesses from making a living.

MR J.C. KOBELKE (Nollamara - Minister for Consumer and Employment Protection) [9.46 am]: I thank the member for Albany for raising this important matter, but in the time available I do not think I can do justice to the many important questions he asked. I will try to pick up the main points, and will perhaps follow through with correspondence or other means to help provide more detailed answers to some of those questions.

The member raised the concern of builders in his area about why home indemnity insurance is needed. I am firmly of the view that we need home indemnity insurance. Representatives of the Builders Registration Board of WA recently attended an international conference in Canada, and looked at the experiences in other parts of the world. I note from the report that Norway could not send representatives to the conference because they had a major problem, which they stayed in Norway to fix. Australia is not the only country that has these concerns. There have been major problems in the building industry in other countries. In the Canadian Province of British Columbia, the cost of repair work to houses that experienced major problems was \$1.5 billion. The funds in that Province fell over and the Government had to introduce a loan scheme to try to help, because there were major problems in the building industry in that area. I am convinced that we need home indemnity insurance. Before the collapse of HIH Insurance, builders were also convinced that it was needed, not only to protect consumers but also because it was good for the industry, as it got rid of the cowboys and helped maintain standards. Of course, with the collapse of HIH Insurance and the problems in the insurance industry, many people are reconsidering that. However, if we can get through those problems, we will find strong support for it. The review by the National Competition Council indicated that there was a need for this type of insurance.

That leads to another point the member raised: why make home indemnity insurance compulsory instead of making it a voluntary scheme? It is a voluntary scheme in some parts of the world. That sort of scheme can be run with some success in a different way, and there can be a fairly high uptake. I do not have time to go through all the provisions that are attached to those schemes to try to make them work. Home indemnity insurance is compulsory in Western Australia, as it is in most States of Australia. The same rule should apply to everyone. Home indemnity insurance gives consumers the guarantee that there is something standing behind them if they run into problems. Fortunately, few people run into problems with builders who go bankrupt or disappear, but those problems do occur. Members might recall the major collapse of Mansard Homes 10 years ago. Unfortunately, that sort of thing occurs from time to time. When it does, Governments are required to step in and help. The industry requires that. Home indemnity insurance provides a backstop when major problems arise, and helps when small builders go under and leave work unfinished or when they cannot carry through their liability on parts of the work, such as with completion or repair. There is a strong case for home indemnity insurance being mandatory.

The member for Albany also raised on behalf of builders in his area the issue of doing more to tighten up builders registration. I agree that it can be examined, but it would not provide an immediate panacea. If we tighten that up, some builders will not be happy, because their registrations may be withdrawn. It is a matter of limits. We have to talk to the industry about the financial limits we can put on a builder as part of that tighter regulation, otherwise it will not mean anything. While I see some benefit in going down that road, I would proceed slowly and only in consultation with the industry, because it is not a panacea and there will be some pain in how it works.

I commend the member for Albany for raising this important matter and, more importantly, for taking the time to listen to the builders in his area and conveying their comments to me by speaking to me personally, corresponding with me and raising the matter today as a grievance in this Chamber. Through members such as the member for Albany bringing that information to the Government, the Government feels it can do something to help those builders.

Some builders have told me that they do not have a problem and things are going well; these are small builders, not big builders. I have two cousins who own their own building companies. One of them has said that the Government should stick by its policy because it is the best thing for the industry. He is a very small builder, employing four or five people. It is okay for him. He has his place in the market; he has a good reputation. He is cashed up and he does not have a problem. However, many builders are having problems. The difficulty is how to discern the builders who are having problems because they are a bit shaky and do not have any assets behind them, and those sound, good, reputable builders with strong and long reputations who are having real problems. A builder came to me saying that he was having trouble with indemnity insurance; I will not disclose the name. When I looked into the issue, I found some press cuttings that showed he had been involved in controversies around town with companies going under and millions of dollars being lost. He wonders why he is having trouble with indemnity insurance! How do we discern the cases that we should take a tough line on and the good builders who are being treated severely and do not deserve it and should be

able to get on with their work? Through the efforts of the member for Albany, and other members who have come to me, the Government is happy to take up the cases of these builders and put pressure on the insurers.

The problem is that we do not have a competitive housing insurance market. One insurer covers something in the order of 90 per cent of the market. We need to bring these cases to that insurer to point out that the limits it sets or the types of surety it requires from the builders are over the top. In some cases that have been brought to me by builders, it appears to me - I am not the expert - that the insurer is not carrying any of the risk for the builders. The insurer requires so much surety from some builders that the surety would cover 90 or 100 per cent of the cost if there were a problem. If a builder has a good reputation, I do not think that is fair; it reflects the fact that we do not have a competitive marketplace. The legislation, which we hope the other place will deal with fairly quickly, will allow for mutual schemes, which is one way of allowing competition into the system. The Master Builders Association, or some other group, can set up an insurer through the use of a mutual scheme to provide competition in the market.

I thank the member for Albany for raising this issue. I hope he continues to bring examples to the Government. When he provides specific examples, we will take those examples up with the insurer to try to get a better deal for the builder.

LAND CLEARING, BINNU

Grievance

MR J.P.D. EDWARDS (Greenough) [9.53 am]: My grievance is to the parliamentary secretary representing the Minister for Agriculture in this place. I wish to raise an issue in relation to land clearing that relates directly to the Environmental Protection Amendment Bill 2002, which is currently being debated in this House. To set the tone of my grievance, I will read a report that I sent to the Minister for Agriculture, and perhaps make some comments after that. It best sums up what the grievance is about. It is addressed to the minister, Hon Kim Chance, and reads -

I deemed it appropriate to avail you of the discussion and outcomes of the meeting that I organised between the farmers of the Binnu community and the Department of Agriculture and Soil and Land Conservation.

The meeting was prompted because of an ongoing issue over land clearing of agricultural land.

More than anyone, you will be aware of the complexities of the whole issue of property rights, freehold entitlement and the recognition of the right to farm. The emphasis on clearing land over the last fifty years has now of course swung full pendulum. It is very much part of the issue with the Binnu group of farmers. This particular group is made up of cohesive family operations; more often than not fathers and sons. Not only do the father and son relationships work well together, but the farming group also displays a united front on issues that affect them all.

These are people who have very genuine reasons for maintaining and furthering the future of the viability and good management of their land. Practical and well-planned land clearing is part of their ongoing management. The fathers were paid and encouraged to clear land in the sixties and into the seventies. It is only in the last ten or twelve years that clearing land on agricultural properties has become a problem. Many of this farming community have spent many, many dollars over the years on land care projects on their properties. It has been mostly at their personal expense.

I emphasise this point because I believe it is important that this farming community is not looked upon as a group of irresponsible 'environmental cowboys'. These farmers have every right to believe in their ability and considerable knowledge as to how best to farm their properties.

The issue of presumed illegal land clearing in this particular area seems to have occurred more from a state of frustration and a profound lack of communication between the farming community and the Departments involved.

Through convening the meeting between the parties previously stated I believe there is now a far better understanding and recognition by all the players of some of the problems related to this issue.

Your prompt action in directing the Commissioner and Deputy Commissioner, Mr Hartley and Mr Watson respectively to attend the meeting upon my request was very much appreciated by all concerned. I also invited the Regional Manager from the local Department of Agriculture, Mr Allen, to be present. I offered to chair the meeting which was accepted by all present and I put forward four items for discussion.

- 1) Understanding the Soil and Land Conservation Act and process.
- 2) Penalties incurred for failure to notify and for illegally clearing land.
- 3) The question of a better communication and liaison structure between the farming community and the relevant departments.
- 4) Where to from here?

It became apparent half way through the meeting that there were some real failings in what information had been given to some of the Binnu farming community by the Agricultural Department.

The information was given over three years ago and as part of that information, a large fee of some thousands of dollars was advised if a land clearing permit was sought.

This advice I believe has been partly instrumental in the lack of cooperation by the Binu farming community over the issue of land clearing. Mr Hartley, Mr Watson and Mr Allan recognised that previous history has muddied the waters in this issue. However, they will no doubt give their own opinions and perspective on the meeting.

Most of the farming community present at the meeting were facing penalties for non-notification to clear land or for having already cleared land.

I believe that there may be some grounds for discretion in some of the cases and as Minister responsible you may give consideration to that.

I look forward to discussing this matter further with you.

That was in June. I convened that meeting in May. I understand the farming community and the 12 families involved have not had any response to their concerns. The obvious concern is that a new Act is coming in which will involve some very heavy penalties - somewhere in the region of \$250 000 to \$500 000 depending on criminal negligence or otherwise, and they are fearful that they will become targets for those sorts of penalties.

My grievance is that they have heard nothing. They have had people assessing the land clearing that has been done. Prior to the meeting that I held with them, it was almost a secret service operation, with planes flying overhead taking photographs and young men arriving on properties who would not tell the farmers who they were, just that they were involved with soil and land conservation within the Department of Agriculture. Great concern has been expressed that the farmers will be penalised, probably for misunderstandings, ignorance and basically a lack of communication between the departments and the farmers. I am not trying to take a role in judging whether they are right or wrong. I am raising this grievance in the Parliament because the issue needs to be resolved reasonably quickly. With the greatest respect to the minister, he has been sitting on his hands with this. I sent that report to him in June. I have not received any correspondence on it. I have met the minister briefly in the passageway on a couple of occasions and mentioned it to him. There is a real concern that no action is being taken. These people have very good reasons in their minds for wanting to clear the land, some of which relate to vermin and weed control and fire hazard.

Some of these people have been farming for 50 years on these properties. They are not people who are going out of their way to be irresponsible. They want to have a viable operation, as they are handing it down from generation to generation. They feel very much that they are being hung out to dry and are not getting very much support from the people they believe they should be getting support from.

I look forward to some response from the parliamentary secretary.

MR F.M. LOGAN (Cockburn - Parliamentary Secretary) [9.59 am]: In the light of briefings by the policy officers of the Minister for Agriculture, Forestry and Fisheries and officers from the Department of Agriculture, the Government acknowledges that the farmers and families to whom the member for Greenough has referred are not being irresponsible. The Government has a great deal of sympathy for the view held by those farmers regarding their properties and their ability to use their land. They have grown up over the years in a culture surrounding the development of their properties and how they pass them on from generation to generation as viable productive land, while sustaining remnant vegetation. However, ignorance is no defence in law.

The Commissioner of Soil and Land Conservation is presently investigating the unlawful clearing of five areas. I am not aware whether those investigations involve the entire 12 families to which the member for Greenough referred. The investigations involve approximately 750 hectares of native vegetation in the Binu area. Regulation 4 of the Soil and Land Conservation Regulations under the existing 1992 Act requires that an owner or occupier of land must give the Commissioner of Soil and Land Conservation 90 days notice of an intention to clear land when the area to be cleared is greater than one hectare, the land is not within a controlled catchment under the Country Areas Water Supply Act and the clearing will bring about a change in the use of the land. The commissioner may issue a soil and conservation notice to prevent clearing if he believes that land degradation may result, for example, in salinity. Clearing land in defiance of the notice is an offence that can incur a \$3 000 penalty. Although the Government is sympathetic to the farmers' position, it is not an acceptable defence to claim ignorance of the fact that they had to provide notification of their intention to clear land.

The cases under investigation were not outlined in detail by the member for Greenough, but without naming the families I will outline the details as follows. In case A, 100 hectares were cleared and burnt without notification. A soil conservation notice was issued and an appeal lodged with the minister; nevertheless, the Commissioner of Soil and Land Conservation is preparing a case for prosecution. In case B, 150 hectares were cleared without notification. A soil conservation notice was issued, and that case also is being prepared for prosecution. In case C, 450 hectares were cleared without notification. A soil conservation notice was issued and the clearing continued in defiance of the notice. That case is being prepared for prosecution for failure to notify and for ignoring the notice. Case D is under

investigation because 50 hectares were cleared without notification. Case E is also under investigation because four hectares were cleared without notification.

As the member for Greenough pointed out, the Commissioner of Soil and Land Conservation met with the Binu landholders in, I believe, June this year and heard their arguments in support of their actions. The member for Greenough, who presented a very strong case on behalf of his constituents, was also present. Those views have been acknowledged. However, some cases are being investigated, three cases will be prosecuted and one case has lodged an appeal with the commissioner. The commissioner views very seriously clearing without approval under the Soil and Land Conservation Act. As I pointed out, an application must be made to clear land greater in area than one hectare. That was not sought.

Changes have been announced to the Environmental Protection Act and are contained in the Environmental Protection Amendment Bill 2002. After 26 June 2002, a person unlawfully clearing land can be ordered to revegetate the illegally cleared area. The Government views very seriously illegal clearing of land - the very reason amendments have been made to the Environmental Protection Act.

Mr M.G. House interjected.

Mr F.M. LOGAN: I am glad the member for Stirling has made that interjection at this point. It allows me to point out to the member for Greenough that under the Liberal-National coalition Government, no compensation was paid and no structure was put in place through which to compensate anyone. The structure that that Government implemented was the national resource adjustment scheme. How much was in it? It contained \$1 million. What was paid out of it? Fifteen pro rata payments were made. They amounted to nothing. We therefore have a great deal of sympathy for farmers. We understand how banks view productive land that contains native vegetation; nevertheless, the Government views illegal land clearing very seriously. The prosecutions of the three cases to which I referred will continue.

STAMP DUTY ON RENTAL BUSINESSES

Grievance

MR J.N. HYDE (Perth) [10.07 am]: My grievance is to the Treasurer, on whom I call to cut and make fairer stamp duty on rental businesses. We must decrease the financial impost and the red tape associated with stamp duty on businesses that hire out goods, particularly the many small and family-run businesses. A number of party-hire equipment businesses exist within my constituency. In our changing lifestyle, with more people in the work force, rather than dining at restaurants many people use outside caterers. Self-employed people hire out glasses and other equipment and are required to pay stamp duty on every hiring activity. A transaction as small as the hiring out of a dozen white wine glasses - as distinct from red wine glasses - for 30c each attracts stamp duty.

The Government must examine this situation to see whether more fairness can be introduced into the system and the tax made more relevant, or if indeed a tax should continue to apply.

The threshold at which this tax applies has been set at the very low figure of \$25 000 for many years. The requirement for the tax to apply at that threshold level is a joke. I call on the Treasurer to consider doubling that figure so that stamp duty will kick in at a realistic level, the amount of red tape will be reduced and small businesses will be allowed to thrive.

As one of seven colonies, we are in competition with other States. As is the case when charging other taxes, we must remain competitive. Compared with the stamp duty paid in other States on these transactions, Western Australia's impost is the highest.

One of the remarkable things I noticed as a new member seeing things through fresh eyes was that despite eight years of an allegedly pro-business coalition Government, taxes such as that were allowed to not only remain but also prosper. I believe it is incumbent upon the Treasurer to fix up this taxation situation and look at it afresh. One of the big imposts on my constituents is the amount of paperwork they must deal with. A small business with a \$35 000 or \$40 000 turnover has not only a goods and services tax requirement but also the additional burden under the state rental tax of more paperwork for a very small return. One of the businesses in my constituency pays between \$40 and \$100 per month on not a particularly big turnover. For the State to receive a mere \$40 a month, the business must undertake about eight to 12 hours a month of paperwork. Twice a year it is also required to submit private financial data from the business so that it can request a service reduction rate. We must address the service reduction regime in this State. I believe it is a ridiculous impost on small business at the moment. It probably arose in the nineteenth century when people were using abacuses and probably pigeons to get messages across. It is not appropriate in this day and age.

I acknowledge that the Treasurer is looking at revenue neutral situations in the adjustments of taxation in this State. I hope that within that construct we are acknowledging that clerks and others are dealing with the receipt of a mere \$40 a month from this business, a situation which is perhaps replicated by 1 200 small businesses throughout the metropolitan area. It means large staff costs and other add-ons are incurred in collecting a small amount of money. If the threshold were raised, they would be able to use their time more productively in ensuring that perhaps the big businesses that should be paying tax, at hopefully a lower tax rate, pay that tax in full. Even the lobby group for the hiring businesses,

the Australian Finance Conference, acknowledges that the tax is uneven. Because of the way it is written, it captures some businesses and not others. Some businesses may be providing the same service, but they are not paying an equal tax. If we can make the tax fairer, we will ensure that those who should be paying are paying and that one-person, small businesses are not paying as big an impost.

I also believe that we should be looking at rewriting the rental business duty provisions so that this State's legislation is consistent with that of other jurisdictions. The rate in this State at the moment is 1.8 per cent; in New South Wales, it is 1.5 per cent; in South Australia, it is 1.8 per cent but with a different threshold; and in Queensland, the rate is much lower at 0.43 per cent but with a threshold at a lower rate. From my quick assessment of various States, it seems that this State's level of 1.8 per cent should come down and the threshold of \$25 000 should perhaps be doubled so that the tax becomes a fairer impost on small businesses.

This may be a very small issue. I believe the Government should be applauded for looking at the minutiae of tax in this State instead of simply supporting the status quo. Let us look at the reality. By bringing the reality to the attention of the Treasurer, I believe that, at very little cost to the Government, this small tax could be adjusted to become much fairer.

MR E.S. RIPPER (Belmont - Treasurer) [10.15 am]: I thank the member for Perth for highlighting some of the inefficiencies in the State's current tax system. In response to those inefficiencies and nuisance taxes, the Government has commissioned a review of state business taxes. The Government has prepared a response in the form of a draft white paper, which is now out for consultation. Because of the State's financial circumstances, the Government has not been able to promise large reductions in the overall collection of business taxes. The Government has had to say to the business community that it must be revenue neutral. However, even within that constraint, it is apparent that we can make progress in reducing nuisance taxes and compliance costs on businesses.

Rental business duty is one of those taxes for which compliance costs are high compared with the amount of revenue raised. The Office of State Revenue has been concerned about problems with the current rental business duty provisions. Those problems include some of those mentioned by the member for Perth, such as the service cost reduction and the duty free exemption threshold. The Government raises about \$23 million a year, or 0.8 per cent of total taxation revenue, from stamp duty on rental business. The revenue has been growing slowly over the years. If we compare this State's circumstances with those of other States, Western Australia has one of the highest tax rates in this area. The relatively high rate of duty of 1.8 per cent may act as an incentive for agreements to be structured in such a way as to take advantage of lower rates of duty in other jurisdictions. Hire purchase agreements are not subject to duty despite in many ways being similar to leasing arrangements. Therefore, as well as moving to other jurisdictions, people may seek to use hire purchase agreements rather than undertake a rental business because hire purchase agreements do not have duty payable.

The compliance costs are high. Taxpayers are required to self-assess their liability and lodge returns with the Office of State Revenue. Because a number of businesses operate not only in this jurisdiction but also in other jurisdictions, they need to have systems that conform and comply with the different requirements of different States.

In the business tax review we sought feedback from business on its problems with the taxation system in this State. We sought its suggestions for ways of reducing compliance costs. The report is very good. I am pleased with the work that the Department of Treasury and Finance was able to do on this matter. The draft white paper contains proposals for 43 separate measures to improve the State's business tax system. However, it is only a draft white paper. The formal consultation period is drawing to a close. I think that the time for the receipt of submissions has closed. A reference group representing various business and professional interests, including experts on taxation, is still assessing public feedback and providing further advice to me.

What is proposed in the draft white paper is the replacement of the current rental duty system with what the paper calls a hire of goods regime. This would involve a progressive system of taxation with a substantially lower rate of 0.75 per cent for equipment financing arrangements and 1.5 per cent for other hiring arrangements. Importantly, this would make Western Australia consistent with New South Wales and the Australian Capital Territory, reducing cross-jurisdictional issues and consequent compliance costs about which people have been complaining. Smaller businesses would be able to submit quarterly rather than monthly returns under the proposal.

The most important point is that the annual exemption threshold would be raised to \$50 000. This would mean that approximately 150 taxpayers would be removed from the base at a cost to revenue of about \$110 000 a year. That last statement really highlights the potential for reform because of those 150 taxpayers incurring all those compliance costs to raise only \$110 000. That is not a reasonable way in which to raise taxation revenue.

I believe that the member for Perth will find that the complaints of his constituents will be to a large extent answered if the Government is able to implement the proposals in the draft white paper on the business tax review. That paper is a package. We cannot have a circumstance whereby all of the positives for particular businesses are implemented but none of the proposals that would raise the revenue, which is still necessary, is implemented. The package cannot be cherry picked so that a proposal such as this, which is good from the point of view of the businesses affected, is picked

up and another tax proposal that might increase the tax burden on another business is rejected. Provided that we can get that mature response from the business community, we can go ahead with the reforms that have been proposed. The business community understands that in any reform there will be winners and losers. However, despite there being some losers, it must understand that the overall direction is in the best interests of the State. I am pleased that the business community has responded maturely to date.

I have also been pleased with the way people have participated in the consultation process. Recently, I walked into the Governor Stirling Towers building and met Joe Lenzo from the Property Council of Australia who was walking out the door. I asked him what he was up to and he said that he had just attended a meeting of the Government's reference committee on the business tax review. That is an example of the willing commitment people have made to get a better tax system for businesses in this State that will benefit the State's economy, businesses and the State Government.

The ACTING SPEAKER (Mr A.J. Dean): Grievances noted.

MEMBER FOR WARREN-BLACKWOOD - PERSONAL EXPLANATION

Land Clearing

MR P.D. OMODEI (Warren-Blackwood) [10.21 am]: I refer to comments made by the member for Innaloo yesterday. He said that a controversy had arisen whereby land had been cleared adjacent to my property and that the then Minister for the Environment had intervened to ensure that a prosecution did not go ahead. I want to set the record straight. Although I have previously spoken on this issue, which occurred a couple of years ago, the statement made by the member is baseless and false and I call on him to come into the House and retract it. If he had made it outside this place, I would have taken his house off him. My property and my family are dear to me. I am very proud of the contribution my family has made to the district in which I live.

I will give members the background to this issue. My property is located 16 kilometres south of Manjimup and 10 kilometres north of Pemberton. It has a road frontage of about 900 metres onto the Vasse Highway and it is surrounded by state forest. This year, we will complete the removal of the old boundary and replace it with a new boundary. Bearing in mind the issue of public liability in this day and age, it is important that boundary fences are made secure because of the risk of an accident caused by straying cattle or falling trees, in which case the property owner could be held liable. The issue in question was the second stage of the boundary fence being cleared, which is adjacent to the highway.

In the previous year, I contacted Main Roads Western Australia and informed it that I intended to replace the boundary and I asked whether I needed a permit to do so. Main Roads said that it would be a good idea to do that because it would improve the clearances of the road adjacent to the boundary. Although the road is practically straight, it does have a slight curve. At the same time, I was clearing an adjacent boundary close to a property that is administered by the Department of Conservation and Land Management. I sought and received the appropriate permits for the clearance. In that case, people are allowed to clear up to four metres outside their boundary. Indeed, I was criticised by some people from CALM for not clearing enough trees. We cleared the first 600 metres in one year and the second 300 metres the following year. Nobody complained when we cleared the first 600 metres. In fact, many people in the community said that it was great because they could now drive along that stretch of road without having their vision impeded.

The following year, we proceeded to clear the second stage. Of the 300 metres left to be cleared, only 80 metres of vegetation was on my property; the other 220 metres belonged to my brothers. I have since acquired that land in the past 18 months. At that time, the forest debate was raging in the community. It is no secret that some of the people in the extreme green movement who obstructed people from going to work, tied themselves to machinery in the forest, defecated on machinery and gave the police a hard time were not friendly towards me and nor was I towards them. The boundary fence is about 13 metres from the edge of the road. Usually, where the speed limit is 110 kilometres an hour, Main Roads likes to have a clearance of 10 metres between the roadside and vegetation. The road in question had been resurfaced about 30 years ago and Main Roads had completely cleared the roadside. Adjacent to my brothers' property and mine, my brothers had planted yellow stringy-bark trees, *Eucalyptus saligna* and yellow flowering gums. People are allowed to clear one metre outside the boundary fence that is adjacent to a road. Our fence was 40 years old. It was big, heavy and had rusty barbed wire. We cleared that one-metre boundary and there was a four-metre wide track alongside that. Since this controversy occurred, Main Roads has looked at the property and said that it would be good to plant some vegetation there. We asked Main Roads how much land would need to be rehabilitated if a clearance of 10 metres is required and three metres is left clear for the track that was already there. We were told that 300 millimetres - about a foot - would need to be rehabilitated.

When the greens became involved, a stack of fence posts and the trees that my brothers had planted were removed. Although the stack of timber was not significant, it was not on my property; it was on my brothers' property. At the time, the truth did not get in the way of a good story. The greens had a photo taken of them pointing towards the stack of wood that was on my brothers' property, which they claimed was my property, and said that I had devastated the fence line without having obtained the proper approvals.

At that time, the native bush growing on the roadside was still there. All of those trees are still there today. The Press took a photo from the extreme northern edge of what the boundary looked like. They then drove past the patch of native forest, which is still there, and took another picture. Those photographs gave the false and mischievous impression that massive degradation of the roadside had occurred. Being a public figure, I had to grin and bear it. In my electorate the hype about the roadside clearing is considered an absolute joke. We have not replaced the boundary; we have left the roadside open. I planted a line of macadamia trees six metres in from the boundary, and they are growing quite well.

A couple of weeks ago, my brother showed me a report by the Environmental Protection Authority, although I cannot remember what the subject was. Interestingly, the report showed a photograph of my property and said that it was a good example of a well-planned, well-managed and well-drained property. I have had to put up with nonsense from the green movement, which has tried to create the impression that I have flouted the law and cleared the roadside without permission and, as the member for Innaloo said, the then minister intervened. The minister did not intervene at any time.

I have consulted closely with Main Roads on this issue. The member for Innaloo can look at the property if he wants to; it is quite a nice property. I might even make the member a cup of tea if he visits. However, I took great umbrage at his comments. I am a public figure and I can cop a bit of stick in this place because I probably dish some out too; all is fair in this game. However, my family is a different matter. My son manages that property. He does a very good job and I am proud of the way he does it. I am away from the property for hundreds of days of the year. The Omodei family cannot be accused of mismanaging or destroying the environment. The main assets of any good farmer are his soil and the way he manages his property. If he does not manage that properly, he will go broke. Members of our family have been on that property for 75 years. I do not think we have much to be ashamed of. Both those properties are model properties, and we are very proud of them. The roadside issue has been a beat-up. I can understand the reasons for that, and I can cop that. However, I will not accept that anything illegal has been done. I will not accept the allegation that the former minister intervened to stop a prosecution. There was never any talk of a prosecution, or of any fine by Main Roads. As a matter of fact, when the Main Roads officer saw the situation, he acknowledged to me that Main Roads also regarded it as a beat-up and was just going through the motions to ensure that everything was done according to law. That is the situation as it occurred. If the member for Innaloo wants to attack me for something I did as a minister or for something I have done in this Parliament, he should feel free to do so. I can defend myself. However, his comments have reflected on my integrity and that of my family, and I ask him to withdraw.

REPORT ON MINOR ADJUSTMENTS TO THE STANDING ORDERS

Motion

MR J.C. KOBELKE (Nollamara - Leader of the House) [10.31 am]: I move -

That the amendments to the standing orders contained in the Procedure and Privileges Committee report dated 9 May 2002, entitled "Report on Minor Adjustments to the Standing Orders", be agreed to.

I do not intend to debate that matter now.

[Quorum formed.]

Mr J.C. KOBELKE: I indicate that at another date, when we have the consensus of the Opposition, we will bring this matter on. I seek leave to continue my remarks on another day.

[Leave granted for speech to be continued.]

Debate thus adjourned.

SUSPENSION OF STANDING ORDER NO 90

Motion

MR J.C. KOBELKE (Nollamara - Leader of the House) [10.32 am]: I move -

That Standing Order No 90 be suspended for the balance of the present session.

I seek to also bring on this matter on another day when it is convenient for the Opposition. This matter again relates to a report of the Procedure and Privileges Committee. I use this opportunity to advise members that the House will be sitting this evening, hopefully not past 10.00 pm, so that we can make good progress on some important Bills currently before the Chamber.

Mr R.F. Johnson: We intend to cooperate with the Government, but I want to comment on the late sitting of the House on Tuesday night, and the proposal that the House sit late tonight. It is unreasonable that we sit late tonight. Many country members have made arrangements to return to their electorates tonight, as they normally do on a Thursday. The Leader of the House normally gives one week's notice when the House is to sit late, which is usually on a Wednesday evening. The Leader of the House rarely asks the House to sit late on a Thursday evening, yet this week he is proposing that we sit late on a Thursday rather than a Wednesday. That is inconsiderate and demonstrates some

incompetence on the part of the Leader of the House and the Government. We have cooperated with the Leader of the House in the passage of the Government's Bills. We are not filibustering on any Bills at the moment. We passed all the Bills that the Government wanted to have passed before the House rose at the end of the last session, and we will endeavour to do the same in this session of the Parliament. The Leader of the House needs to get his act together and try to ensure that Bills are brought on at the right time. He also needs to talk to me, as the leader of opposition business in this House, a bit more. I will always try to cooperate with the Leader of the House when he is being reasonable. I think he will agree that I, and the Opposition in general, have been reasonable. The Leader of the House probably does not agree with my comments, but at least he has allowed me to make this interjection. I hope he will not keep members too late tonight, because many country members need to return to their electorates tonight, and it is totally unreasonable to ask them to stay late tonight at such short notice.

Mr J.C. KOBELKE: I thank the Opposition for its cooperation in the past, and I am now obviously seeking an even higher level of cooperation. This week the House has before it two insurance Bills that I think both sides agree are important and urgent, and the sooner we can get them to the other place, the better. The Railway (Jandakot to Perth) Bill is also urgent because of the detailed and lengthy contracting arrangements that are required. It is not our intention to finalise those Bills today, but we need to make good progress on them so that hopefully they can be finalised early next week. For that reason, I think members will understand the importance of providing these extra sitting hours. I recognise that will be inconvenient for a number of members, including country members, but because of the importance of those Bills and the need to make good progress, these extra hours will provide the debating time required for members to make their contribution and allow us to get these Bills through this Chamber at the earliest possible date.

Mr M.W. Trenorden: The National Party is never enthusiastic about staying three hours late on a Thursday night, because it takes our members a lot of time to travel back to their electorates. However, we will not oppose the proposal by the Leader of the House that we sit late tonight. Will the batting order today be that we will deal just with those two insurance Bills?

Mr J.C. KOBELKE: We want to make progress on four Bills. We want to get the second reading debate on the rail Bill well under way -

Mr M.W. Trenorden: That will take all day.

Mr J.C. KOBELKE: We also want to make further progress on the Civil Liability Bill and the Insurance Commission of Western Australia Amendment Bill. If we can have the Wood Processing (Wesbeam) Agreement Bill dealt with fairly quickly, we will try to put that through as well. We want to make good progress on all those Bills. I am not saying that we will conclude them.

Mr M.W. Trenorden: I will try to be helpful and give you the National Party's view. I think every National Party member will speak on the rail Bill. We are keen to assist you to get the two public liability Bills through, and we will support those Bills, with amendments. We do not want those Bills to be delayed. However, we will fight you on the Wesbeam Bill. We have serious concerns about that Bill, and there will be some long debate on it. You should give some thought to what you want to achieve today. The debate on the rail Bill will be a long debate, because we will oppose that Bill until we are blue in the face.

Mr J.C. KOBELKE: I have taken the interjections, but we need to move on, because this is not the matter that is before the House now. Over the next two to three weeks we need to debate some quite urgent Bills. I know the National Party has a keen interest in the Grain Marketing Bill and the Bulk Handling Amendment Bill. We also want to get those Bills through in the next two to three weeks. At this juncture a range of important Bills need to be expedited, and if we sit late tonight there will be extra hours to debate those Bills.

Mr M.W. Trenorden: I accept that, but it is very ordinary to give only a few hours' notice. I will not mind sitting late every night next week; if I know about it, I can plan for it. However, I had made plans for tonight, which will now have to be cancelled.

Mr R.F. Johnson: Why did we not sit late last night, when that would not have had such an adverse effect on our country members? We could have sat between 7.00 pm and 11.00 pm or midnight.

Mr J.C. KOBELKE: The member has a point, and I am happy to enter into discussion on that matter. However, we are dealing with a motion about the Procedure and Privileges Committee, and I do not wish to abuse the standing orders. I have given people an opportunity to put on the record their concerns. I seek leave to continue my remarks on another day.

[Leave granted for speech to be continued.]

Debate thus adjourned.

PLANT PESTS AND DISEASES (ERADICATION FUNDS) AMENDMENT BILL 2002

Introduction and First Reading

Bill introduced, on motion by Mr F.M. Logan (Parliamentary Secretary), and read a first time.

Second Reading

MR F.M. LOGAN (Cockburn - Parliamentary Secretary) [10.40 am]: I move -

That the Bill be now read a second time.

The Plant Pests and Diseases (Eradication Funds) Act 1974 provides for the imposition of contributions on growers of grain and seed to fund the eradication, or the prevention of spread, of skeleton weed and certain plant diseases and the eradication of resistant grain insects. It is administered by the Agriculture Protection Board, in consultation with the grains and seeds industries. The Act also provides for growers whose crops or produce are destroyed in the course of steps taken to eradicate or prevent the spread of skeleton weed, or the relevant plant diseases, to be compensated for the loss incurred. The principal current use of the Act is to raise most of the funds necessary for the operation of the skeleton weed eradication program.

The Act provides several mechanisms to ensure that its provisions and any eradication or containment programs operated under it remain relevant to the needs of grain growers and seed producers. Firstly, the Act contains an expiry date, currently set at 31 October 2002, which this amendment Bill seeks to extend by one year. Secondly, contributions imposed under the Act are set annually by the minister, on the recommendation of the Agriculture Protection Board. The Act ensures that any contributions are set at the level necessary to fund the planned operational program only. It does not allow the accumulation of contingency funds for unspecified purposes. Thirdly, payments from funds established under the Act require the support of both the minister and the Agriculture Protection Board. In addition, ongoing programs, such as the skeleton weed eradication program, are subjected to periodic review to ensure they are efficient and effective in returning benefits to contributing grain growers.

The Act provides an important mechanism for the grains and seeds industries. However, as foreshadowed in 2000 when its operation was last extended, it is regarded as in need of substantial amendment and has now been the subject of an extensive review. The review was conducted by a group comprising nominees of the Pastoralists and Graziers Association, the WA Farmers Federation, the Agriculture Protection Board and the Department of Agriculture. The group considered, amongst other things, whether the Act should be continued beyond its present expiry date of 31 October 2002 and, if so, the form it should take.

The review group concluded that there is a need for legislation for the purpose served by the current Act but that for a number of reasons, it would be preferable to replace the Act with a new one, rather than attempt to suitably amend it. The Government intends to introduce replacement legislation as recommended, but this will not be possible prior to the present Act's expiry. So as not to leave the grains and seeds industries without a suitable mechanism in the interim, this Bill will extend the current Act for a further year. I commend the Bill to the House.

Debate adjourned, on motion by Mr B.K. Masters.

The ACTING SPEAKER (Mr P.W. Andrews): Given the finishing time, as indicated, the Speaker has instructed that the dinner break will occur between 6.00 pm and 7.00 pm tonight.

RAILWAY (JANDAKOT TO PERTH) BILL 2002

Second Reading

Resumed from 11 September.

MR D.F. BARRON-SULLIVAN (Mitchell - Deputy Leader of the Opposition) [10.44 am]: When considering the Railway (Jandakot to Perth) Bill 2002, it is important to reflect on the fact that the House is dealing not just with a matter that concerns a railway linking Perth to Mandurah. This piece of legislation is a very important part of the overall jigsaw puzzle - if I may put it like that - of transport planning in Western Australia, and more specifically in the urban and outlying areas. Throughout the debate on this project the Government has consistently focused on the railway and has totally ignored a range of other transport planning considerations involving both public and private transport. When considering the Perth to Mandurah rail project, questions must be asked about whether it is a good transport planning process for the whole community and whether it represents good value for money. The whole southern suburbs transport picture must be considered, rather than just the Mandurah rail link in isolation. The Labor Government talks of the southern rail link as if it were some sort of isolated transport issue, dealing principally with the interests of the people of Mandurah and Rockingham. This distracts us from the implications of this project for transport planning as a whole and the impact it will have on a range of other people in the community, which I will deal with in a moment.

A bit of history is worth looking at here. After some 10 years of a previous Labor Government in this State, which had ignored the needs of the motoring public, the previous coalition Government was left with a massive backlog of road works that were needed by the people of Western Australia and a range of roads that needed upgrading. The achievements of the previous coalition Government in this area will stand up to any scrutiny. The roadworks budget reached record levels. The Government was able to transfer all funding from what used to be the state fuel franchise fee from general expenditure, as had happened as far back as the Burke Government, to use specifically for road and transport purposes. That Government had a very sensible and very well thought-out funding arrangement, and it provided a massive increase in funding for roads and so on, as is shown by a number of projects throughout the State.

One of the most outstanding achievements of the Court Government was the Graham Farmer Freeway, which included the Northbridge tunnel. Every member would have to agree that the tunnel has been a huge bonus for people in this State. I stress that it was all done without any implementation, or even consideration, of a toll system.

The Labor Opposition of the time - led by the current minister, I might add - incessantly attacked that tremendous public investment as being wrong because it would only encourage the use of cars. One could be excused for thinking that the Labor Party is almost run by social engineers who see government as a means of inflicting their personal biases upon the people. The Liberal Party, on the other hand, sees government as an institution to benefit the people by helping meet the needs that will not be met through private investment alone. Following the major improvements in traffic flows to the northern suburbs in particular, the coalition Government invested heavily in the southern freeways to fix the mistakes or the ineptitude of the previous Labor Government and to accommodate an obvious and growing traffic need.

With those traffic problems on the way to being tackled and the financial problems of the previous era of government behind it, the coalition Government was then able to budget for a major rail investment for the southern suburbs. The coalition plan was very balanced, with a rail line going through the middle of the southern population hub, providing good access for people living and working in all those suburbs. In addition to accommodating the private traffic flow, the coalition Government was also investing heavily in public transport by building bus lanes on the freeway and providing improvements to a range of bus services throughout the metropolitan area and in outlying areas as well. That has now been stopped. The coalition Government established a dedicated bus lane through to Canning Highway and a bus interchange at Canning Highway, and planned a further \$70 million in dedicated bus lane extensions south from there. The coalition wanted to push ahead with the extension of the Kwinana Freeway through to Mandurah and to commence and complete the Peel deviation around Mandurah as part of its proper transport planning for the south west region as a whole. All these matters have now been either thrown in the bin or put on hold indefinitely. Members will see that the coalition's transport planning formed a balanced picture, with motor vehicles and public buses flowing smoothly on an improved and expanded freeway system and more people throughout the southern suburbs using a new rail link. There was a balance between roads and rail and between private and public transport use. It is important to stress that these aims can go hand in hand. A blacktop freeway can be extended to provide significant benefits to public transport. As I said earlier, the \$300 million-plus that was to be provided for a dedicated bus lane along the freeway illustrates how public transport and road infrastructure can go hand in hand.

I can understand that people in the community are a little confused about what this Government promised when it was in opposition. Its policy stated clearly that Labor would construct the south west metropolitan railway to Rockingham by the end of 2004 and to Mandurah by the end of 2005. There was no mention that it would change the route, put back the construction schedule or anything like that. In 1999 the member for Rockingham, the Parliamentary Secretary to the Premier, said -

I would certainly like to see it -

That is, the train -

come into the Rockingham city centre.

...

I would like to see the rail line come into the Rockingham city centre.

He said it twice. He continued -

If you're familiar with Rockingham at all, you'll know that there is a major shopping cum education cum administrative precinct in Rockingham - I would like to see the rail link join up with that area.

That was the member for Rockingham, who is now a likely candidate for a ministerial posting, saying, when in opposition, that the Labor Party wanted to put the railway into the heart of Rockingham. Going back even further - this issue is not new - the Attorney General said some time ago -

... we want to start construction in the first year of our next term of office.

Of course, none of that is happening. I can understand people in the community wondering why the Labor Party said a number of things in opposition, but is doing many different things in government.

The Labor Party did not tell us a number of things. It did not tell us it would delay the project dramatically, putting it back from 2005 to 2007. It did not tell us it would incur a massive blow-out in debt at the expense of WA taxpayers as a result of its handling of this project. It did not tell us it would break a number of transport planning promises; for example, the promise to provide a \$20 million subsidy for the conversion of private vehicles to liquefied petroleum gas. That promise went straight in the bin. That is a very important transport planning commitment. The greater our use of LPG, the cleaner will be our environment and the better will be the situation for everyone.

However, that is not the only transport planning policy that the Labor Government has broken. It broke a major commitment to extend the freeway in the northern suburbs, which has now also been put on the never-never. The Labor

Party did not tell us that the community would miss out on a rail link directly into one of the largest and fastest growing population areas in the southern suburbs, nor did it say - this is an important point that must be stressed - that motorists would yet again have to put up with years of inconvenience on the Kwinana Freeway. Anyone who travelled on the Kwinana Freeway when roadworks were under way on the dedicated bus lane and other improvements were being made would know that that inconvenience was horrific. The Government will therefore subject tens of thousands of motorists to that enormous inconvenience for a number of years all over again.

I make the point that everyday punters, everyday Western Australians, do not have chauffeur-driven cars as does the minister. They cannot sit in their cars and do business on their mobile phones or catch up on notes on their way to work while they are caught in that sort of pandemonium. However, the minister is lucky; she obviously lives close to town and will not be inconvenienced in the way that tens of thousands of motorists will be as a result of the Labor Government's change of tack on the rail project.

Ms A.J. MacTiernan: You really are a mob of troglodytes.

Mr D.F. BARRON-SULLIVAN: I welcome an interjection from the minister on this matter because I wonder how temporary that inconvenience will be. Will it last a few years or will it be permanent? Page 5 of the "Perth Urban Rail Development - Supplementary Master Plan" released in August states -

Provisions will be made for bus priority along the Kwinana Freeway at Canning Bridge and immediately south of the Narrows Bridge to accommodate those bus services which currently enter the Kwinana Freeway at Canning Bridge.

It might be the Government's plans to adopt those provisions and put a train down the guts of the freeway. I cannot see how there could be a train, two dedicated bus lanes and still the same number of lanes on the freeway that we have now. I welcome an interjection from the minister on whether that part of the Perth rail development plan will be proceeded with. If the minister wants to think about that, by all means she should. However, if it means that we will have dedicated bus lanes that have priority, I would like to know how they will be built into the freeway. Will there be some way of getting buses onto the freeway to further clog up the traffic? It will be interesting to see whether there will be a further permanent inconvenience for motorists.

Ms A.J. MacTiernan: Are you saying that providing for buses is an inconvenience to motorists?

Mr D.F. BARRON-SULLIVAN: No. The coalition Government provided the dedicated bus lane that the minister will put out of commission. I want to know what that paragraph means and, when the minister has told us what it means, what the Government's commitment is in relation to the matter raised. I welcome that advice from the minister.

The Government also did not tell us that when it compared the time taken to travel by train under its proposal, for example, from Mandurah to Perth, with driving a car or taking a bus, it made those comparisons on the basis of the freeway in its current state, not on the basis of the freeway completed through to Mandurah. When the freeway is completed through to Mandurah, it will clearly reduce the travelling time for motorists between Mandurah and Perth for a couple of reasons. First, it is a shorter distance and there will be no stops. Not only that, there will also be a higher speed limit of 100 kilometres an hour, whereas currently towards the end of the freeway, motorists are limited to 80 kilometres an hour. Significant speed limit reductions have been made on the roads from Perth to Mandurah. The speed limit on the Old Mandurah Road has decreased to 80 kilometres an hour and restrictions have been put on the speed limits on the roads on the outskirts of Mandurah. Those times therefore have not been taken on a comparing apples with apples basis; the Government, in a way, has tilted the figures its way.

Ms A.J. MacTiernan: With respect, you must take into account the fact that we based the figures for the freeway on current traffic levels. By the time we get to 2006-07, we can anticipate significant increases in the amount of traffic coming to Perth from Mandurah and those areas. The comparisons will, therefore, go the other way.

Mr D.F. BARRON-SULLIVAN: However, during our briefings, the minister's officers did not show any assessment along those lines. I accept that there will be more cars on the freeway; that is why the freeway has been improved; there are more lanes over the Swan River and so on so that traffic on the freeway can move smoothly. As the Leader of the Opposition said previously, this is all about taking people out of buses, putting them in trains and inconveniencing people in the Southern River area. Those people who currently link up through a bus system at the Canning Highway interchange and zoom straight in on a dedicated line to Perth will clearly experience a great deal of added inconvenience.

There is also some controversy over the costing of this railway. The broader community is now beginning to understand that there has been a blow-out in the costs. The minister has tried to explain that the Government had to have cost escalations and that sort of thing. However, I assure the minister that that has not gone down well in the community. People are aware that this project has blown out by at least \$300 million.

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

Mr D.F. BARRON-SULLIVAN: The point is that more is to come. When we had briefings on this matter, I asked, for example, whether the \$1.24 billion figure the minister had concocted included the amount of money that was wasted as a result of moving away from using the dedicated bus lane on Canning Highway. One very simple example is that an

awful lot of expensive blacktop was put down that will not be needed once the trains go through. I was told that an estimate had not been done of how much money was wasted, but that that was the case. I can tell the minister that several million dollars of expenditure must have gone down the gurgler.

The other day the Leader of the National Party was reported in a newspaper article highlighting the situation in Perth. Undoubtedly, a number of business owners will be claiming tens of millions of dollars compensation. Interestingly, the \$1.24 billion does not provide for any sort of light rail link through Rockingham. There is an amount of money there, possibly for some buses and so on, but if the people in Rockingham are ever to get the sort of service that would have been delivered under the coalition's plan, we would be looking at a multimillion dollar program. The plan that was put out in August does not provide for the extension to Kenwick, despite the fact that in the early stages the minister implied that at some point the Government would complete the transport link through to Kenwick.

Ms A.J. MacTiernan: Which transport link through to Kenwick?

Mr D.F. BARRON-SULLIVAN: At the moment, the Armadale line does not go all the way through to link up with the southern suburbs, something that was provided for in the previous plan. In the minister's August report, the line just ends dead. There is planning provision for the line to go further, but there is no budgetary provision. If the Government is comparing apples with apples and is saying that it will build a railway into those same areas, it must add tens of millions of dollars to the cost. The \$1.24 billion does not include the cost of improving bus services to provide the circle links and so forth that will be required as a result of the change to the route.

It is interesting that the Perth urban rail development was taken off-budget. I say that because during the budget estimates hearings, a suggestion was made that the Government should allow off-budget agencies to be questioned during budget estimates hearings. Of course, that did not happen either, so the degree of accountability in this respect was reduced quite significantly.

Ms A.J. MacTiernan: Who made the decision to take the Western Australian Government Railways Commission off-budget?

Mr D.F. BARRON-SULLIVAN: The minister could have kept the Perth urban rail development program on-budget.

Ms A.J. MacTiernan: It is in the budget.

Mr D.F. BARRON-SULLIVAN: It is an off-budget item; we cannot question it during budget estimates hearings.

Ms A.J. MacTiernan: You can question it here. It is part of our forward estimates.

Mr D.F. BARRON-SULLIVAN: Budget estimates hearings are a key part of the accountability process of this Chamber. That is why a recommendation was made to the Leader of the House to enable off-budget agencies to be dealt with during budget estimates hearings.

Ms A.J. MacTiernan: Give us your questions.

Mr D.F. BARRON-SULLIVAN: Will the minister support all off-budget agencies being scrutinised during budget estimates hearings next year?

Ms A.J. MacTiernan: We will certainly support the same level of scrutiny that your Government allowed.

Mr D.F. BARRON-SULLIVAN: Waffle, waffle, waffle!

The Leader of the Opposition again highlighted recently that by delaying the project the Government has slid back about \$800 million worth of debt into the out years. This is an interesting point. The Treasurer has said in this Chamber a number of times that according to the pre-election budget statement prepared by Treasury, debt was going to be this amount under the coalition and so on. However, he has not compared apples with apples. I would be interested - perhaps the minister will ask her colleague the Treasurer to do this - in seeing an adjusted pre-election budget statement that takes out the impact of the rail project. In other words, if the coalition's figures had been adjusted to take into account the delay in the rail project, there would be a very significant reduction in debt. Although the Labor Party goes on about debt levels under the previous Government, it does not understand that those projections for debt included the provision of this rail service by 2005. The current Government's figures do not do that for the simple reason that it has pushed back \$800 million worth of debt because it has delayed the project.

Ms A.J. MacTiernan: Can you explain to me where you got that figure of \$800 million? It is true that because we are not going to build the rail line until a slightly later time, some of the expenditure requirements will occur later rather than sooner. That is just commonsense. Where did you get the figure of \$800 million?

Mr D.F. BARRON-SULLIVAN: Apart from \$300 million, the Government's whole program is debt financed. I would welcome the minister tabling an update of the debt take-up arrangements in relation to this project. I would be delighted to read it.

Ms A.J. MacTiernan: Where did you get the \$800 million?

Mr D.F. BARRON-SULLIVAN: Is it more?

Ms A.J. MacTiernan: No. It is ridiculous.

Mr D.F. BARRON-SULLIVAN: Then table it.

Ms A.J. MacTiernan: What do you want tabled?

Mr D.F. BARRON-SULLIVAN: The minister should give us an indication of the debt take-up arrangements for this project.

Ms A.J. MacTiernan: That has already been done.

Mr D.F. BARRON-SULLIVAN: Is the minister saying that she is not putting back the State's debt requirements by pushing back the project? She must be joking!

Ms A.J. MacTiernan: We will not borrow the money before we need to borrow the money.

Mr D.F. BARRON-SULLIVAN: Exactly; that is what I am saying. The Government has slid the project back so that its debt requirements slide back as well, and that tidies up its budget a little.

Ms A.J. MacTiernan: Where did you get \$800 million?

Mr D.F. BARRON-SULLIVAN: The Government is \$200 million away from losing the State's AAA credit rating. If the minister had kept this project on the same schedule as the previous Government had outlined, she would have lost the State's AAA rating.

Ms A.J. MacTiernan: We are not.

Mr D.F. BARRON-SULLIVAN: That is why the Government has slid this back. It has slid this back two years, and we know it will be even longer than that because of its incompetence with budget management. If the Government did not slide the project back, it would lose our AAA credit rating. The minister's project, apart from \$300 million, which was provided by the former coalition Government through the efforts of former Premier Richard Court and the current Leader of the Opposition -

[Quorum formed.]

Mr D.F. BARRON-SULLIVAN: I do not think we are getting anywhere with that. I welcome the opportunity for the minister to talk to her colleague the Treasurer to get some properly adjusted budget figures on the roll-out of debt in this State.

Ms A.J. MacTiernan: Should we budget on the basis of things we are not going to do?

Mr D.F. BARRON-SULLIVAN: I am trying to tell the minister - which she well knows - that this project has been put back for the simple reason that if it were not, this State would lose its AAA rating. However, my time is running out and the minister will have plenty of time to speak later.

The community understands that we are looking at a blow-out of at least \$300 million for this project. Whatever the minister says, I can tell her that people in the community are not wearing it. People understand that this project's budget is blowing out. I will use the figure of \$300 million, although we all know it will be a lot more than that. That amount of money would almost pay for the freeway extension to Mandurah -

Mr M.F. Board: And six public hospitals.

Mr D.F. BARRON-SULLIVAN: Exactly. It would pay for the freeway extension and the Peel deviation. Imagine what that would do for transport planning. As the member for Murdoch said, it would build the equivalent of six regional hospitals such as was built in Bunbury. That is what we are talking about. That is the cost of the Government's potential incompetence to the people of this State. On a conservative estimate, this budget blow-out is costing the people of this State an amount that would finance the construction of 60 primary schools. That is mind-boggling. A major freeway extension to Mandurah and the Mandurah bypass, known as the Peel deviation, could be paid for by the blow-out. The advice we are receiving from people with far more knowledge in this field of engineering is that there will be a very significant budget blow-out.

I want to mention the Government's approach to this legislation. Someone looking at this Parliament from afar would have to wonder why the Government is rushing this process. The Government is ramming this project through.

Several members interjected.

The SPEAKER: Order, members!

Mr D.F. BARRON-SULLIVAN: The member for Hillarys said that the current minister said, in August 1997, that a Labor Government would scrap the Kenwick to Jandakot plan. She was talking about a link through Fremantle. An article in *The West Australian* of 14 August 1997 stated -

She called for a parliamentary select committee to oversee all options because of its vast expense and importance to Perth.

The importance to Perth has not changed. I would argue it is more than that; it is the importance to outlying areas and the regions, particularly the south west. The cost has gone up to at least \$1.42 billion, plus all the other items I referred

to earlier that have not been taken into account. Let us say that the total cost will be between \$1.5 billion and \$2 billion. The project cost has gone up yet, in 1997, the now minister said that the project was so important it should be referred to a parliamentary select committee to look at all the options. She now says that the Government will dig in its heels and go for only one option. The minister has not explained to the satisfaction of the Opposition or the community why she has changed her position. If the minister believed that was the case in 1997, I cannot see why anything should be different today.

In summary, the Government is digging in its heels and avoiding scrutiny. The Government does not want the matter to be examined in a proper and accountable way. There is the prospect of massive inconvenience for a number of years for motorists using the Kwinana Freeway. That would not have been necessary under the coalition's plan. It has been asked whether that inconvenience will become a permanent feature of driving to and from Perth along the Kwinana Freeway. That has happened because of the paragraph I alluded to in the Perth urban rail development supplementary master plan. Hopefully, in her response, the minister will provide some details of that. There is a cost blow-out; the Government is fudging the schedule of this program to save its AAA rating. This situation epitomises this Labor Government; there is ineptitude, bad management, a total lack of accountability and a total lack of acceptance of the needs of the broader community. I sum up the situation in two words: utter arrogance.

MR A.D. McRAE (Riverton) [11.14 am]: I feel as though I have just been flayed with a waddy made of plastic shopping bags. The member for Mitchell has just produced the most inept, shallow, hollow and unrecyclable piece of garbage I have heard for some time. Any pretence that the member for Mitchell had to the crown of opposition has evaporated with that speech. It was the most extraordinary failure in presentation of an analysis of a transport need I have ever heard.

Dr E. Constable: That was a cheap shot.

Several members interjected.

The SPEAKER: Order, members!

Mr A.D. McRAE: Why is it a cheap shot to criticise the hollowness of the argument?

Dr E. Constable: Let us hear what you have to say. Tell us about the railway. It is very easy to criticise other people; what have you got to say?

Mr A.D. McRAE: I have plenty to say but I am interested in this extraordinary defence of a person who did not produce one scintilla of evidence in his representation of either a budget analysis, a traffic analysis, an engineering analysis or an environmental analysis. No grounds were produced other than third-party hearsay from anonymous engineering mates who say that the plan will not work. The master plan for the Perth urban rail development from Mandurah to Perth clearly set out how the engineering will be done.

Mr M.W. Trenorden: Clearly! Has the member read it?

Mr A.D. McRAE: I have read the document.

Mr M.W. Trenorden: He clearly has not read the document.

Mr A.D. McRAE: I have, which is more than the Leader of the National Party has done. His performance in commenting on the Perth central business district part of the project leaves a lot to be desired.

Several members interjected.

The SPEAKER: Order, members!

Mr A.D. McRAE: I will direct my comments to the effects on my electorate of Riverton. Issues that affect the people of Riverton are of concern to me. When I was first elected, and in subsequent speeches to the House, I raised my concerns about the east-west connections across the south metropolitan region. Members may recall that in my first speech in this Parliament I acknowledged the need for a review of the south metropolitan transport system. My argument was that the Kenwick line did not meet the current and emerging needs of public transport, and that we needed to better understand the east-west connections running from Gosnells and Cannington to Fremantle. This plan puts in place the southern spine of the Perth transport system. People must not look at isolated pockets to understand how this system works. Anyone looking at the system can recognise that the southern spine to be put down the freeway to Mandurah creates, for the first time, the opportunity to link those areas that are becoming increasingly more densely populated.

Mr B.K. Masters: Specifically, which ones?

Mr A.D. McRAE: In my electorate, the suburb of Willetton - a relatively recent suburb - typically has housing blocks of 600 square metres to 700 square metres. Such suburbs are populated by urban families; that is why there are three large high schools in my electorate. Most households have more than the statistical average of two adults and 2.4 children. Compared with the rest of the State, the suburb of Willetton is a case in point that shows the higher population densities that are not typically seen in the older suburbs with quarter-acre blocks.

Mr B.K. Masters: That is still a low population density by world standards, and a great opportunity is being missed.

Mr A.D. McRAE: By and large, Perth has generally low urban population densities, which is a serious problem. Over 150 years Perth has developed into a capital that is sprawling beyond its sustainable capacity. That is a truism. The only way to counter the urban development pattern that has been going on for over a century is to put in the infrastructure that will change settlement patterns. The grievance we heard from the Leader of the Opposition today about access to stations on the Fremantle line is linked to urban population densities or the rate of use by the population of public transport infrastructure, like the Fremantle line, and what that does for infill in what have been low-density suburbs. There has been an increase in the western suburbs -

Mr C.J. Barnett: The suburbs in my electorate are not low density. Loch Street station is not in a low-density area. Homeswest has built 66 medium-density units there.

Mr A.D. McRAE: The point I am making is that the infrastructure that provides for higher densities of population -

Mr C.J. Barnett: Why then is your Government stopping the train service to those stations?

Mr A.D. McRAE: We are not stopping the service.

Mr C.J. Barnett interjected.

Mr A.D. McRAE: We are not going to go back over that debate -

Ms A.J. MacTiernan: The Leader of the Opposition did not listen to the debate we had this morning. We have indicated that we will reintroduce services on weekends. This is unbelievable. One would think that the Leader of the Opposition would be happy with that; it is very hard to make him happy and make him smile.

Mr A.D. McRAE: Despite evidence that this Government has listened and made modifications to the operation of that system to cater for the issues raised by the local member and the people of that community, and despite the minister clearly demonstrating the Government's capacity to listen and respond to community needs, there is a complete denial of that capacity. There is a continual talking down, as we just heard from the Deputy Leader of the Liberal Party, of the prospects and future of this State. That is an extraordinary approach to take. It is okay to criticise these issues on their merits and members opposite may by all means do that, but they should not drag down the prospects of this State. The Leader of the Opposition should try to encourage his colleagues to be a little more constructive in their criticism.

I am pleased to have accepted the invitation from the Minister for Planning and Infrastructure to be part of a committee that is reviewing the east-west connectivity in the south metropolitan region. I will be working with the Cities of Canning and Gosnells and the Melville City Council to determine the services required for the local community once that new southern spine is in place. The major stations servicing my electorate will be at Thornlie to the east, along the Thornlie spur line, and Leach Highway and Murdoch to the west. I understand that the projections from the master plan suggest that Murdoch station will be one of the largest passenger boarding stations in the whole of the metropolitan scheme. This requires extraordinary focus on local servicing of connections. People might be aware that the circle route that has been referred to runs from Fremantle, through my electorate and up to Oats Street station on the Armadale line and then across into the eastern and northern suburbs. It is one of the highest user-rate bus services in the city. Over the past seven or eight years, it has continually shown an increase in patronage. It is a very good service. It recognises and delivers the east-west connections that people require. There is a desire to go into the city, which is the major service demand line. However, in the south metropolitan region there is an east-west connection that is not particularly understood by many people. It has been forced by the geography of our environment; that is, the coast in the west and the Swan and Canning Rivers running roughly on an east-west axis. That has defined an east-west corridor of urban development. The infrastructure and services that go with that urban development are what we must now build on.

Mr C.J. Barnett: After a two-year study, that was one of the prime reasons that the Kenwick route was selected; it served more people and included east-west travel. The analysis showed that. Your minister made a decision without any analysis.

Mr A.D. McRAE: One argument is that there be a departure from the freeway at Jandakot with the line heading up on the heavy freight rail line through Ken Hurst Park, a major regional environmental reserve, and then into the population wasteland of Canning Vale -

Mr C.J. Barnett: Population wasteland!

Mr A.D. McRAE: Nobody lives in the Canning Vale industrial estate. There was a great plan to put a Ranford Road station at the western end of Canning Vale to service my electorate! The Leader of the Opposition has misunderstood that absolutely and utterly.

Mr C.J. Barnett: How many people work in Canning Vale? Do you have any idea?

Mr A.D. McRAE: Yes, I do have an idea. What is interesting about the Leader of the Opposition is that he does not quite understand that the Ranford Road station, which he argues was supposed to service my community, was going to

be placed across the road from a rubbish dump and in the middle of an industrial estate. All the national and international urban research on public transport infrastructure that I have seen suggests that if there is a desire to encourage access to and use of public transport infrastructure, the infrastructure must be put in places that are part of the urban community and the connections that people make as a natural course of events. There is no way in the world that people will want to go out of Willetton, head south to a railway station, be taken east to the Armadale line and then have to negotiate shared track use.

[Quorum formed.]

Mr A.D. McRAE: I will put on record a couple of issues that are important to the people in my electorate. The first and foremost issue is to have a good connection to the Perth public transport system. The move from the Kenwick route to a southern direct line on the freeway is no significant loss in terms of people's connection to the hardware of that system. The Kenwick route required people to either drive, walk, cycle or catch a bus to get to the train station. That will still be the case with the southern freeway route. The second point is that in considering the establishment of the southern spine, the options now present themselves to cement in place better east-west connectivity for the south metropolitan region. This is the single greatest contribution that will come from my electorate to this new route. Murdoch University and St John of God Hospital are located on South Street, and there are shopping centres in Bull Creek. That area has a high density and a high community use. The east-west connection makes good sense. As I understand it, further north, in and around the Curtin University in the Premier's electorate, there are some 55 000 car movements a day, which is the single largest number of car movements in the metropolitan area and the State. That sort of car usage rate is sinking this city.

Mr M.W. Trenorden: Where are those cars and automobiles going?

Mr A.D. McRAE: They are going to many places, but it is interesting that the traffic demand on the circuit route gives an indication of the desired lines. In fact the greatest patronage on the circuit route is between the Oats Street drop-off station, after people have boarded at Curtin University, and Fremantle. Today the single largest users of the circuit route in the metropolitan region are students from Curtin University. This demand must be serviced. The Canning Bridge connection offers us a great opportunity for doing the east-west connection. I believe the right plan is in place. I hope all members of Parliament will be constructive in their criticism and analysis, and will get behind what will be a major piece of infrastructure for this city and this State.

Dr J.M. Woollard: Do you have the right system? Why is it that you are going for a gauge of three foot six inches rather than four foot eight-and-a-half inches, which is used elsewhere in Australia and the world, when we have a limited number of places that we can go?

Mr P.G. Pental: That is the reason it is so cheap.

Mr A.D. McRAE: That is a good question, but I do not know whether it is about cheapness. It is about compatibility with the existing system. The member should realise that for at least the past 70 years, based on my research, Labor Governments have been the only ones to have opened urban rail in this State. Narrow gauge might not be the best option, and we could wish things to be different. We might have gone for a wider gauge rail. The fact is that the priority for Labor over the past 20 years, when it has had the opportunity, has been to reopen the Fremantle railway line, to electrify the whole system and now to extend the system north and south. Those priorities have built on the current infrastructure. The replacement of the current infrastructure with a wider, standard gauge rail system would have meant that we could not have pursued those other priorities.

I accept the point that the member is making, but let me return to what will be achieved with this proposal. We will get a fast, direct rail system, we will meet the needs of the communities in the south, and we will have the opportunity to create the east-west connections. The budget for this project has been based on recognising inflationary movements in goods and services - that is built into our accountability process. All of these things demonstrate that we are delivering a profoundly good urban transport system. I commend the minister for pursuing this matter with passion and zeal, which is necessary for the development of this type of infrastructure. People from the south, the whole city and the State will benefit from this good infrastructure. I commend the Bill to the House.

MR M.F. BOARD (Murdoch) [11.34 am]: Members on the government side believe that this railway line will provide a better transport link for people living south of the river. The reality is that members have not thought this matter through in detail. Many of them are unaware of the consequences of these changes and what they will mean for the bulk of public transport south of the river. People will be denied much of their current transport, and choices will not be available. This decision was probably made on the spur of the moment on the back of a coaster at the Mt Lawley hotel. Following many years of assessment, planning, engineering drawings and professional advice -

Mr P.G. Pental: I am surprised the member thinks it is that professional.

Mr M.F. BOARD: There were years of professional advice and consideration. The matter had been before Cabinet many times when various options were proposed, and the transport and planning departments fought hard to maintain the Kenwick route against those other options. Those considerations have been thrown out the window. That advice was provided to Cabinet, the community and local authorities in an endeavour to assess who would use this transport -

who would gain and who would lose. Consideration was also given to maximising that route and regard was had to the costing. Members on the government side are being forced to defend a decision. I am sure they are unaware of the total consequences. I will advise them of those consequences so they fully appreciate the project they are embarking upon.

I was a member of the former Cabinet - I will not outline the discussions that took place - and can inform the House that those discussions went on for years. Three routes were considered, not only the freeway option and the final option through Kenwick, but also a third option, which involved tunnelling and went from Jandakot, Murdoch University, Garden City, through a tunnel under the river to the University of Western Australia, Sir Charles Gairdner Hospital and then into the city to maximise the number of people who would use it, but of course that added another \$1.5 billion to the exercise. In fact that option was pushed more strongly by the Department for Planning and Infrastructure and the Department of Transport than the option now being pursued by this Government.

Mr A.D. McRae interjected.

Mr M.F. BOARD: The State could not afford it; it was absolutely ludicrous. The route through Kenwick, including the fast bus lane, maximised the public transport opportunities at all hours of the day, seven days a week; it looked after the elderly and the young and it brought people from a particular destination - their homes - to the destination of their choice. The member for Riverton has failed to recognise that that will no longer happen. He does not realise that there will be no fast buses into the city. People will have to move from a bus to get a train; that train will then go to a station in the city, where they will have to get a third mode of public transport to reach the same destination, when previously they needed only one. They could get a bus from their home in Bull Creek or Leeming and go directly into the fast bus lane and be in the city within nine minutes at the destination of their choice. That will no longer happen. The member for Riverton has admitted there will no longer be a fast bus service. People will have to remove themselves from the bus, get onto a train, and get off the train in the city and onto another mode of transport. That is three stages in a journey that previously had one stage. If the member for Riverton thinks that will encourage people out of motor cars onto public transport, he has rocks in his head.

Mr A.D. McRae: The member has made the point that multi-modes of transport will be necessary because the Government has chosen the southern freeway route. Is the member suggesting that would not have occurred with a Kenwick link?

Mr M.F. BOARD: People who live in the electorates of the members for Riverton, Alfred Cove and Willagee and in my electorate can catch a bus fairly close to their homes and find themselves on a fast bus link. In the peak hours they are in the city 20 or 30 minutes faster than if they drove. The reality is that as a result of the option the Government has chosen, they will be unable to do that. Does the member for Riverton think that parents who are already concerned about their children travelling on public transport after hours in Perth will want to see them waiting at rail and bus terminals after hours for an interchange service, when they had only one mode of transport before? Does the member for Riverton think the elderly will be happy waiting around for connecting public transport? They will not. That will be the result because the Government has not thought through its decision. Not only that, but the Government will compromise the finances of this State for a considerable time.

Why is the Minister for Planning and Infrastructure ignoring the advice that was given to the previous Government over a number of years? Did the minister consider all the advice, the studies and the environmental considerations available to the former Government when it chose the Kenwick option, such as the infrastructure on the Narrows Bridge, the fact that the Mount Henry Bridge was never built for static weight? The Government's option will create an engineering problem. Has the Government talked to its engineers? The Government needs an engineering solution before it can run trains on that bridge. The Government has thrown out all that advice without considering engineering drawings or undertaking a detailed costing. The Government is hoping, on a wing and a prayer, that the minister has got it right. That is not the case.

The Government will be found wanting in a number of ways. The minister has fudged the patronage figures because she has included the people who currently catch the bus. She has said that all those people will opt for the train. They will not because they are happy with the bus service. If the calls to my office are any indication, many of those people will say there is no advantage in getting a bus, a train and another bus, and they will not use the service. The Government is fudging the system.

Mr A.D. McRae: You are fudging the truth.

Mr M.F. BOARD: No; I am giving the member the facts. If the member for Riverton talks to the government agencies and his minister, he will find out the truth.

The member for Riverton talked about speed. Who will gain from these hundreds of millions of additional dollars that will be spent? How many people will gain, particularly on the return route from the city to Mandurah? In real terms, it will benefit only a few people compared with the benefits from the Kenwick option to the electorates of Riverton, Southern River and the southern part of my electorate and from the continuation and improvement in the fast bus lane system. The southern corridor option offers gains for very few people. If passengers from Rockingham to the city gain 12 minutes, which is only supposition because there are fewer stations, how much time will be gained by someone who

lives in, say, Jandakot? When I divide 12 minutes by one-third, the saving is four minutes. If passengers are lucky, they will gain four minutes, but the reality is they will not because they will have to use three modes of transport. If we compared the time taken for a bus trip from anywhere along South Street in Leeming and Bull Creek into the city with the time it will take passengers to travel into the city by getting on and off the bus into the city, then on and off a train and onto another bus, the member for Riverton could not tell me that it will be four minutes faster! Passengers would have to fly to make the trip faster.

The minister is fudging the figures and misleading the community. She will not be able to do that for long because when these facts come out people will be outraged. People will say not only that the Government has got it wrong but also that its priorities are wrong and the money could have been better spent on much-needed programs for Western Australia today.

Why is the minister - who is 18 months late with her decisions and on where we ought to be - implementing this proposal as a minor amendment under the Metropolitan Region Town Planning Scheme Act? Has anyone thought this through? Has anybody considered the difference between a major amendment of the metropolitan region scheme and a section 33A amendment? Under the major amendment process there is greater public input, particularly for local authorities. By the way, all the local authorities are against the Government's rail proposal. If it is supposed to be servicing their communities, why are they against it? Why have all local authorities taken exception to what the Government is doing? They are not paying for it; they are not being taxed to pay for it. The answer is that they are trying to look after their communities and they know their communities will not be better served as a result of the Government's changes. Why is the minister implementing the project through a section 33A amendment? It is because a section 33A amendment does not require an environmental assessment. The minister is ignoring a fundamentally important part of the planning process that requires not only an environmental assessment on the impact on the South Perth foreshore, Mount Henry Bridge and the freeway, but also a social impact assessment. The minister does not want to hear about that, because she knows what that assessment will be.

The Minister for the Environment and Heritage will come under huge pressure as a result of what the Minister for Planning and Infrastructure is doing. The Minister for the Environment and Heritage is walking away from her responsibilities as a member of Cabinet to protect the environment in the Perth metropolitan region.

Dr J.M. Woollard: Are you saying that they have not thought about the impact on the Swan estuary and migratory birds?

Mr M.F. BOARD: I am sure that the advice from the Environmental Protection Authority, the Department of Environmental Protection and the Western Australian Planning Commission is that this should be dealt with as a major amendment. However, the minister has taken the option of implementing that decision under the minor amendment process rather than the major amendment process, which must go through the Parliament. That process provides for greater consideration by the community, more consultation - at least two or three opportunities - and every person who objects to the railway under a major amendment must be interviewed by the WA Planning Commission and their points of view must be taken into account in the decision-making process. That does not need to happen under the section 33A process.

The reality is that the minister knows that by going down the minor amendment route she can cut out all the opposition, which may have got publicity under the major amendment process. The minister will ram this through. Why is the minister afraid of the major amendment process? It is because she knows the outcome, which was the advice that was given to the coalition Government; that is, the Environmental Protection Authority will not accept the current proposal. That is one of the reasons the former Government did not opt for the southern corridor route. The other reasons included the costing and the lack of patronage. Do members opposite think the former Government was crazy and that after years and years of consultation it decided on the Kenwick route just because it liked it? The decision was made on the best and consistent advice of experts over years. Their advice was based on the consideration of drawings and studies. A lot of work and deliberation went into the process. The direct route was considered, but it was not viable or environmentally feasible and hence was not supported by the Cabinet.

We are dealing with an important Bill. I implore the Government and its members to think through the consequences of their decision. The railway will cost a lot of money and change the debt ratio of the State. It will considerably change long-term planning for Western Australia, including a range of aspects of the Stephenson plan and other long-term planning for an outer rail link and the continuation of Roe Highway. It flies in the face of much of the planning that has been done, including for the Perth foreshore. It flies in the face of all the advice that has been given to government over the past six or seven years in consideration of this project.

The project also wastes a lot of money, not merely on construction that has not been costed. I refer particularly to the alteration of the Mount Henry and Narrows Bridges and the city development aspects. We have talked about compensation issues, yet the minister has not given consideration to them. She has said that somehow the private sector will deal with its own compensation. She is dreaming.

Ms A.J. MacTiernan: I did not say that.

Mr M.F. BOARD: The minister did.

Ms A.J. MacTiernan: I said that the valuation of the site included the cost of compensation, so it was calculated to take into consideration the cost of compensation.

Mr M.F. BOARD: The commercial reality is that people will not support being costed out of their own sites. If the minister thinks that she can say that the railway will increase the value of buildings threefold and therefore people must pay for it, when they already own the building, she is being commercially naive.

I implore ministers and government members to think of the long term and the advice that was given to the Court Cabinet, why we made those decisions, the cost effectiveness of the route and the environmental considerations. Above all, if they do not care about any of those matters, perhaps they might think about the people of this State, their transport needs and their option of one mode of public transport rather than two or three; perhaps they might think about the elderly, the young and the parents who will be most concerned about waiting at railway stations and bus stations to interchange transport. The Opposition puts on the record that all those matters were considered. The Kenwick route was given all the ticks at the end of the day. Although we obviously would have liked the direct route, it did not stand up to scrutiny, costing and environmental assessment. It will not serve the people in the southern corridor well.

MR D.A. TEMPLEMAN (Mandurah) [11.54 am]: I am pleased to make a contribution to this debate and outline the reasons that I strongly support the direct rail route to Perth.

[Quorum formed.]

Mr D.A. TEMPLEMAN: I want also to outline the importance that the direct route will have for the people who live in Mandurah and the rapidly expanding southern corridor. It is of great concern that the Opposition has reaffirmed that it supports only the Kenwick option. It is not supported by people living in my electorate. It is the second best, not the best option for Mandurah. The Opposition's comments on the Kenwick option demonstrate that it supports only a second best option.

I will outline why I support the direct route down the freeway. It is the best option for a number of reasons. Not only will the direct route deliver people to Perth, Mandurah and areas along the railway line in an efficient manner, it will also create an efficient and environmentally responsible transport link between the major regional centre of Mandurah and the metropolitan area.

There has been much debate in this House about the changing of the route. The people of Mandurah have always been concerned that if they are to have a railway link, it must be fast and efficient. The direct rail route option provides those two key elements. It is important for people to understand that although Mandurah might be considered by some to be merely part of the metropolitan area, the people of Mandurah consider it to be a regional centre with regional values. A large proportion of the population wants to ensure that the integrity of Mandurah as a regional centre is maintained and that it is not merely an addition to the metropolitan area. However, it must have a rail link. One of the reasons it must have a link, and a direct, fast and efficient link, is that currently 42 per cent of the region's working population travel outside the region and Mandurah to access employment. That is a very large proportion of the region's workforce. For those people to access work opportunities, and for more people to access them in the future, the direct, fast, efficient and safe delivery of them along the route will be important. That is why the second best option proposed and supported by the Opposition is not acceptable.

I will not go through the points made by the member for Riverton and other members on this side of the House, particularly those representing electorates in the south-eastern corridor, but the member for Riverton covered clearly and succinctly how people from that area will be able to access the transport spine, which is what the direct down-the-freeway option is all about. It is the most important infrastructure project to affect the future of the people of Mandurah. It is a project for a hundred years. Therefore, people in Mandurah will not accept a second-class rail connection; they will accept only a connection that is directly down the freeway and will deliver them a fast and efficient connection to Perth. People keep talking about Mandurah being connected to Perth. They forget that the direct route will open up a whole lot of opportunities for Mandurah. They will obviously include economic benefits. People must realise that once the direct route is connected to the city, the people of Mandurah can expect a huge increase in the number of people visiting Mandurah and forming connections with it. The City of Mandurah must ensure that the infrastructure is in place to cope with that increased demand, as well as taking into account the environmental sensibilities and concerns of the people who live there. At this planning stage we have the opportunity to ensure that as the railway makes its way to Mandurah, the city puts in place the infrastructure to cope with what will be a significant change for the people who live there. If we do that planning properly, we will improve opportunities for not only the people who live in Mandurah but also the people who visit Mandurah. Mandurah has one of the highest populations of seniors in this State and country. However, many of the seniors and other people who have come to live in Mandurah over the past decade or so unfortunately find themselves isolated for a variety of reasons, many of which are socioeconomic and personal. Many people have come to live in Mandurah because of the range of cheap housing that is available. However, they do not have the support mechanisms that they need. Important and symbolic links such as rail lines allow people to have a greater connection with the wider community. If in the future seniors or other people who live in Mandurah become disabled or can no longer enjoy the same mobility that they enjoy now, this rail link will

create an opportunity for them to continue to be connected with their family members, friends and acquaintances. I remind the House that, although we keep talking about the Perth to Mandurah link, this rail link is a two-way street, because it is also the Mandurah to Perth link.

Everyone talks about patronage. However, the patronage issue has focused a little narrowly on the employment aspects. A range of other patronage issues need to be highlighted. Mandurah is a fast-growing community. We want to create more educational opportunities in Mandurah. However, many of the young people in Mandurah will need to travel to Perth to continue their studies in universities and other tertiary institutions, and to pursue training opportunities. This rail link will provide fast and efficient transport to Perth that will allow them to link with those university and teaching places that will not necessarily be able to be provided in Mandurah.

The timing issue is extremely important to the people of Mandurah. We need to ensure that the direct route that has been decided upon takes into account the needs of the people. As time goes on, many Mandurah people will need to access Perth, and many Perth people will need to access Mandurah, for a variety of reasons. Mandurah is the number one day tourism destination outside the metropolitan area. Around one million people a year visit Mandurah. Many of those people visit Mandurah only for a day or traverse Mandurah on their way to the south west. For economic and social reasons, we want to encourage people to stay in Mandurah for longer than a day. We want to showcase to people the opportunities that exist in Mandurah and the wider Peel region. This fast and efficient rail link will play an important tourism role in giving people the opportunity to visit Mandurah and stay for a night or a couple of nights, and also to venture further afield to see what the Peel region offers. That is why this direct route is so important to the economic, social and environmental future of the city that I represent.

Quality of life issues are very important to the people of Mandurah. It is important to understand that people have come to Mandurah for historical, and now also for economic and social, reasons because of the idyllic lifestyle that it offers. Mandurah has the best waterways and coastline in the State, and that estuarine, river and Indian Ocean system creates a range of opportunities for people who live in or visit Mandurah. Underpinning all those things is the need for efficient transport links, and this direct-route rail link will assist in providing those links. One of the reasons that I support rail and the direct-route rail link so much is that rail is a clean and environmentally sensitive mode of transport. By making sure that we put in place an efficient, fast and environmentally sensitive transport route, we will keep underlining to the people of Mandurah that we recognise the need to protect the integrity of the environment in their area. Therefore, for the benefit of those members who are arguing otherwise, for a variety of reasons, I again put on record that the direct route is the route that is preferred by the people of Mandurah, as has been demonstrated by a number of agencies, organisations, groups and individuals who have spoken to me.

I have mentioned in the House previously some of the reactions to the direct route, but I will go through two key ones again. From a business perspective, when the direct rail link decision was announced by the Minister for Planning and Infrastructure, the President of the Mandurah Chamber of Commerce was quoted in the *Mandurah Mail* as follows -

Mr Samuels said the State Government has achieved the goal of supplying the fast growing areas of Mandurah and Rockingham with a fast rail system.

He is also quoted as saying -

“The Gallop Government has fulfilled one of its first election promises which was to make the tough decisions on behalf of all West Australians.

This is an important decision. It is a 100-year decision. The Mayor of the City of Mandurah is quoted in that same article as saying -

“When the rail link was first proposed by the previous government it was emphasised that the rail must provide a viable alternative to car travel . . .

It must be fast, efficient and clean. He is also quoted as follows -

“There is no doubt that travelling time is the most important factor in meeting this objective.” He said the new direct route would provide easy and equal access to all communities along the route.

That is an important comment, and it, in addition to a range of feedback from other individuals, underlines why the decision to take the route directly along the freeway is so important to the people of Mandurah.

The other day I was speaking to some friends who live in Perth. People in Mandurah talk about how the rail link will allow Mandurah people to connect to Perth. However, people in Perth talk about how it will allow them to connect to Mandurah and the other communities along that rail line. The rail line is a huge and important project. We do not support the Opposition's second-class, second-rate option along the Kenwick route, as it proposed and continues to support. The people of Mandurah strongly support the direct route along the freeway. On behalf of the people of Mandurah, I applaud the minister and the Government for their decision and look forward to the huge socioeconomic and environmental benefits that this rail link will deliver to the people in Mandurah and the Peel region.

MR P.G. PENDAL (South Perth) [12.08 pm]: Today this House is being asked to endorse what I believe will ultimately prove to be the greatest urban design blunder in this State in the past half century. Some weeks ago in this

House, the Minister for Education defended a policy that he was outlining on the grounds that the Gallop Labor Government was entitled to have its way because of what he called the overwhelming endorsement of its policies by the people of Western Australia at the 2001 state election. It is remarkable how fallacy can quickly take root in politics and in Parliament, in particular in this House. The Minister for Education said that; he apparently believed it; and he was under no challenge from any member in saying it. The reality is that the decision that the minister was defending was not given overwhelming support by the people at the election. The reality is that the Government - it should remember this - was elected on a primary vote of 37 per cent at the last election. The difference between the subject of the Minister for Education's debate three weeks ago and the Bill that is being defended by this minister today, whatever objection one might take to the Minister for Education's policy, is that it was at least signalled to the people of Western Australia before the election.

The tragedy of the Bill we are now dealing with is that the Government made not the slightest level of disclosure that it would come to office and make a change that would have profound effects on many parts of the south western metropolitan area, in particular profound impacts on the electorate that I represent in this Parliament. The Minister for Education was at least entitled to make his decision - without saying that he was given overwhelming endorsement for it because he was not, the vote was 37 per cent - but this minister and this Government have no right to come into the House and say that they have a prior endorsement by the people of Western Australia. This audacious act came from a Government elected on the rhetoric of openness, accountability and consultative processes that are appropriate to government in the twenty-first century. Were they applied? Not a word.

We are dealing now with a sense of secrecy. Those people in the Labor Party knew this would happen, but they deliberately chose, it would appear, to go out of their way to ensure the people of Western Australia were not privy to those secret plans prior to the election. In reality, in the early part of 2001, within 18 weeks of the election and the Government's swearing in, without any consultation with the people who were most adversely affected, without any consultation with local authorities or local members, a decision was made that in years to come will be regarded as the greatest urban design blight and blunder that any Government has presided over in the past 50 years.

In 1958-59 a Government, against a background of far less regard or understanding of the wider urban environment, allowed the building of the first freeway in Australia between the Canning Bridge and the Narrows Bridge. It was hailed by the people in the context of its time because to put a bridge over the Narrows and then connect it with what we then began calling the Kwinana Freeway was regarded as a progressive, advanced piece of urban design. However, if that decision was justifiable then in the context of its time, which ultimately had such a dramatic and adverse impact on South Perth and Como, there is no way in the world that this Government will subsequently be able to justify in the context of its time this decision to re-route the railway above the ground through South Perth and Como.

Mr M.F. Board: Does the member know what it was? The Government did not want to admit the fact that the railway that was intended to be built under our plan was our idea. It had to desperately come up with something different so that it could claim it was the only builder of railways; it, therefore, went for this option regardless of the cost and regardless of who could use it.

Mr P.G. PENDAL: I believe that is relevant, and is shown in the indecent haste with which the decision was made in the first 10 weeks of government. It is entirely consistent with the secrecy that surrounded the project prior to the election. The member for Murdoch is correct in that regard.

I was making the point prior to the interjection that the world has moved on enormously since 1958-59; so too have the principles of urban design. The only group of people who do not appear to have realised that are the people surrounding the Minister for Planning and Infrastructure who are defending her decision. I do not oppose the railway going from Perth to Mandurah, neither do I oppose a railway running through South Perth and Como. I have publicly stated my support for such a project. However, I oppose the 1950s thinking that is now discredited everywhere around the world; that is, that a railway can be built above the ground through an inner city suburban area rich in environmental assets. That is the rub.

The New South Wales Labor Government is currently building a substantial railway between Chatswood and Epping in Sydney. In conversation with the railway engineer, who comes from Brisbane, a constituent of mine asked in passing how much of the railway between Epping and Chatswood would be above the ground. To my and the constituent's surprise, he said, "None of it. We do not build railways through inner city areas above the ground these days." He said that with a level of incredulity so that the person from my electorate realised for the first time just how far behind the times this Government and the people driving the project are.

I have outlined on a number of occasions in this place and in my electorate the fiasco that developed in Boston in the State of Massachusetts that arose out of the decision to create elevated freeways in the late 1950s. Members should note that date. It was at the precise time that we were making the error in respect of the Kwinana Freeway through South Perth and Como. That was when we had the streaker's defence: it seemed like a good idea at the time. At that precise moment in history, the Bostonians were doing much the same to divide their city because they believed that that was the way things were done then. For the past 25 years the State and municipal authorities of Boston and Massachusetts have spent \$A27 billion undoing the urban blight. At least one can acknowledge the fact that by the

middle of the 1970s those authorities had begun to learn the error of their ways in 1950. They have just completed that enormous expenditure because they realised that it is a form of urban design that is not only outdated but also outmoded; in fact, it has been widely discredited around the world. However, the Bill we are debating today provides for that form of urban design. I am not alone in saying that. The views of people across the political and academic spectrum, including Martyn Webb, about the way in which the Government is treating this issue, especially as it affects the urban amenity and the urban environment, are on the public record. Julian Grill, a former Labor Minister for Transport in this House, who has spoken highly of the Government's proposal for the Perth to Mandurah rail link, has been scathing in his criticism of the Government reverting to this nineteenth-century thinking and simply cutting a swathe through a built-up area and, into the bargain, running the risk of ruining not only a group of suburbs, but also the riverscape that surrounds them. That riverscape gives us some competitive, national advantage in attracting tourism.

The downsides do not stop there. Recently, in a letter to the minister and in my local newspaper and elsewhere, I have drawn attention to proposed metropolitan region scheme amendment 1060/33A. I was disturbed to learn when I rang my local authority, the City of South Perth, that it had not been notified of this issue, which has been raised in this House in the past few days. Two important factors will rub salt into the wound of what I have been speaking about for the past 13 minutes; that is, this incredible notion that an amendment of this magnitude could be treated by the Government as a minor amendment. I put it to the House that the Western Australian Planning Commission has been got at and has been told, with a nudge and a wink, that it must ensure the amendment becomes a minor amendment. Why? Because a minor amendment has the signature of the Government appended to it. It denies the right of this Parliament to be involved in the process. However, it has a second feature. It seeks to exempt the Government from the requirement to go through the normal development approvals, including those relating to local government. I invite every member of this House, but particularly those who hold marginal seats, to see what the result is on the metropolitan region scheme. It means that all the primary and secondary roads in the metropolitan area - I think they are marked red and green - can have a railway line, or something similar, constructed alongside them, now or 10 years into the future, and the members of Parliament who represent those areas will be powerless. Why? Because of the proposal to amend the region scheme by amendment 1060/33A, which does those things in the most underhanded way imaginable.

When the City of South Perth was apprised of this amendment, in a letter to me it stated -

The amendment attempts to exempt the Government from the requirement to prepare a development approval for the railway line itself.

It continued -

It is understood that if the proposal is successful, there will be no opportunity for Local Governments (or their communities) -

Or their local members of Parliament -

to comment on the railway infrastructure associated with the track, ie pylons and overhead wires etc. This aspect, as you know, does cause the City some concern . . .

That refers to the City of South Perth. The letter then states what the council intends to do about it. Everything about this project - the secrecy prior to the election, the swiftness in changing it all within 18 weeks and then the subsequent costings - indicates in all respects that the Government is looking to do the cheapest job to get some political runs on the board. The member for Alfred Cove, by way of interjection this morning, added to that by pointing out that the gauge would be three feet six inches wide. Has the Labor Party not heard that nearly 40 years ago this State came to the conclusion that three foot six inch gauge was so outmoded that the State converted to the national grid gauge of four feet eight inches?

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

Mr P.G. PENDAL: Again, this so-called progressive Government has fallen for the old trick - God knows why - that what it is doing is in some way socially redeemable for what it might achieve in the future. I think the Government has fallen into the grip of a few railway-oriented people who simply cannot believe their luck at the naivety and stupidity of those involved, and in particular the Minister for Planning and Infrastructure.

Withdrawal of Remark

Mr J.C. KOBELKE: Yesterday the Attorney General referred to a member opposite in those terms. Exactly those terms have been used to refer to the minister. If there is consistency, the member should be asked to withdraw that statement as he referred particularly to the minister. He may have applied it to a general class of people, but he also referred directly to the minister. That is consistent with the statement made yesterday, which the Attorney General had to withdraw.

Mr P.G. PENDAL: I withdraw my reference to her stupidity and instead I refer to her ineptitude.

Debate Resumed

Mr P.G. PENDAL: The minister has fallen in an inept and unprofessional way for the notion that one can do something that is socially redeemable; that is, put through some modern means of communication. However, she has done it under the pressure of having to keep within the budget that effectively was set by the previous Government. I disagree with most people in this House about state debt. I am always interested to hear from members, such as the member for Riverton, who keep talking about how much rail track the Labor Government has run. My response to that is that it is very easy to spend money in government. For a time, I was part of the policy process of the previous Government. We had to draw a line somewhere on state debt. It is true to say that Labor Governments are good at putting in railways, but coalition Governments are invariably left to rein in the debt left behind as a result.

Mr J.B. D'Orazio interjected.

Mr P.G. PENDAL: It is historically true. Just to ensure that the member for Ballajura does not think I am being too partisan, I disagree with most people in this House about the nature of state debt. I will tell the House why, as it is relevant. Several years ago I sought to determine how much it would cost to lower a rail line through South Perth and Como and how it could be justified. The simple answer is that all the freeways built south of the Mount Henry Bridge are modern freeways, not like the one that goes through South Perth. All those freeways are built into the ground and all are separated from the suburbs that surround them by high earth mounds. As such, there was a special case to try to undo what previous Governments had done in 1958-59 by putting a section of rail line in South Perth and Como underground. This trick was tried by the previous Government, but it failed due to other reasons. In 1998, I was told that the cost of putting underground a rail line in South Perth and Como would cost about \$800 million. Some people in the department quite falsely - they knew what they were doing - put together that figure based on the cost of the Northbridge tunnel. I said I was not talking about a tunnel; I was talking about what had been done successfully in many parts of the world. It is not rocket science to entrench a freeway with railway infrastructure and cover it. The figure of \$800 million is an inflated figure; however, I will use it, as it was quoted at the time. My argument was that in current day terms, we could do what I am talking about for \$2.4 billion. That is using the bureaucrats' own figures. What is the downside of that? All that is downside because it is all debt. Nevertheless, that is no different from our personal lifestyles, such as when a person decides that if, for example, he has reduced his mortgage to \$125 000, he might build it up to \$175 000 because he wants to add a few rooms to his house. To do this job properly - not in the discredited nineteenth-century way that the minister is proposing - would have cost \$2.4 billion. What would have been the impact on the state budget? Treasury advised me that over a 24-year life of repaying the debt it would cost the State an extra \$34 million a year. In my opinion, that was worth doing in order to do the job well. The railway could have been put under South Perth and Como and given access to a vast catchment area of commuters; nearly 40 000 people. None of those people will catch a train, because the rail line is above the freeway and there is no room for a station. Not only that, we all know that a railway running down the freeway, with the river on one side, means that half the catchment area is given to the fish! This lack of brain power and creativity on the part of the minister and the Government means that the most built-up area, one that could provide a great return in patronage, has been disregarded.

Mr C.J. Barnett: Perth will be the only city in the world that has a high-density inner city suburb without a rail station.

Mr P.G. PENDAL: That is correct.

Peter Bruechle, the railway engineer who handled the northern suburbs railway, approached me and asked how I would feel if the railway deviated from the Kwinana Freeway near the Royal Perth Golf Club, went under Richardson Park, the Zoo, the rest of South Perth and the river, and emerged in William Street. I told him that it would solve half the problem. I was not sure what I would tell people about the railway being above ground through Salter Point and Como, but I thought his plan was far more attractive than the Government's. Mr Bruechle intended a train station for Richardson Park until I pointed out that there was not much of a catchment area there other than people visiting the Zoo. He could see the sense in relocating the station to Windsor Park, which would have served the Zoo, the central business district of South Perth and all the catchment area of Mill Point. It would have meant a huge increase in the catchment area, but, of course, it was destined to fall foul of the superficial promise the Government used to justify the route; that is, it would save 12 minutes commuting time between Perth and Mandurah.

I referred earlier to the state debt. A rail plan like that would increase the debt by \$800 million - to do the job properly - and it would increase repayments by \$34 million a year over the life of the project. Everybody gets concerned about the State's AAA credit rating. There has never been a Government anywhere in the western world that has lost its AAA credit rating by spending money on major public infrastructure. Governments lose their AAA credit rating for the very reason that this Government's Labor predecessor did. It wasted \$1.5 billion on non-existent petrochemical industry plants and the like. That is why Governments lose their credit rating; not through putting in public infrastructure. The Government is to be commended for investing in rail, but it is to be condemned for the urban blunder that it will visit on South Perth and Como. It is still within the reach of this Government to look at the idea of entrenching the railway and freeway although it will add \$800 million to the cost. However, that is the cost of doing it properly. Into the bargain, it will win a new catchment area. I guarantee that no credit rating agency in the world would mark a Government down for spending money on that type of public infrastructure. Credit rating agencies are worried about ballooning debt in nations and states in which people have wasted money "up against the wall", if the House gets my drift. That is what they are concerned about. They are not concerned about spending on public infrastructure, as has been done by

successive Governments in this State, whether it is hospitals, schools, police stations, bridges, highways or freeways. I want members who will vote for this Bill to know that they are not just voting for a pipe dream on the part of the minister. The members are voting to consign a beautiful capital city and a major component within it - the South Perth and Como foreshores - to the type of urban blight at which communities around the world are now becoming appalled, notably the Bostonians. Future generations will read the speeches made by members in this place as they spend, in the future, the equivalent of the \$27 billion that it will take to undo the error made today by the minister in charge of this Bill. How sad that is when, admittedly for a significant amount more, the job could be done properly.

I ask members to remember what the engineer said about the Epping to Chatswood railway, "In this day and age, my friend, we do not build anything above the ground." I oppose the Bill.

MR P.W. ANDREWS (Southern River) [12.41 pm]: I happily support this Bill because the project offers a high quality public transport system to the people in my electorate. My electorate consists of some of the faster growing residential areas in the metropolitan region. I will now deal with each area of my electorate and explain to the House how the system will affect my constituents.

On Wednesday morning, when I came to Parliament, the freeway was absolutely chock-a-block. Traffic was banked up to Berrigan Drive. Traffic is supposedly gathering force in Perth each year by about seven to eight per cent. Any person on the Kwinana Freeway on Wednesday morning would have thought that that figure had doubled overnight. One of the reasons it has reached this critical point is the growth in the southern part of my electorate in Atwell, Jandakot and further south to Thomas Road. It takes me at least one day a week to go through the letters from the new constituents in my electorate so that I can service those people. This direct service to the central business district will provide a fast and frequent service; an excellent service to the suburbs of Atwell and those further south.

The people in those suburbs are satisfied with this plan. I know that because I doorknock in those areas and speak to the constituents. I can categorically say that the vast majority of people in those suburbs support this plan. It is important that we also acknowledge the impact this line will have on the infrastructure in the City of Cockburn, which has many plans centred around this development. This is nothing new because the City of Cockburn has been looking forward to this development for a number of years. However, the suburbs on the southern part of this line will be advantaged by this system.

Mr M.F. Board: But they will have to get a bus to the station and then wait for a connecting train?

Mr P.W. ANDREWS: The residents at Atwell can go to that station and be taken to the city along a dead straight route without having to sit on the freeway waiting for buses.

Mr M.F. Board interjected.

Mr P.W. ANDREWS: I will talk about each part of my electorate and I will be glad if the member interjects for each suburb.

I should have also mentioned Atwell South, one of the newest rapidly developing estates. Why are these estates so popular? It is because of this project. If it were not for this project, would people be shifting into these areas so quickly? No they would not.

Mr M.F. Board: In fairness, the land is comparatively cheap and many first homebuyers are drawn to that.

Mr P.W. ANDREWS: It is comparatively cheap and people realise that. However, they also realise that it is a good investment.

The residents in Jandakot and, in particular, those in Glen Iris, are not the greatest supporters of the Labor Party. However, they have said to me and been quoted in newspapers, such as the *Cockburn Herald*, as saying that they frequently opposed the previous Government's original Kenwick deviation plan. Why did they oppose it? To the north of that area is the freight line, which was already there when the houses were built in that area. The residents of Jandakot and Glen Iris realise that more freight must travel by rail, which they do not always like but they accept. When they talked about the addition of passenger trains, I accepted the point that there would be more trains but a differentiation was made between passenger and freight trains. That might not be a valid argument but it is their point, which is why I am raising it now.

Mr M.F. Board: Would you not concede that if the fast bus lane, with the infrastructure already in place, had been extended to Jandakot or the area you mentioned, then there would have been two options that would have serviced a larger number of people along the rail line and the fast bus route to the city?

Mr P.W. ANDREWS: No, I do not accept that. When motorists are on the freeway in the morning and cars are backed up one lane after another, there is an empty lane which the occasional bus drives along. I sit on the freeway at those times and think how nice it would be if a few more cars could move into that lane. Would it not be nice to come up with a plan that encouraged people to share cars, and allowed cars with, say, three passengers to use that lane? The next progression would be to let cars with only a couple of passengers use that lane.

Mr P.G. Pandal interjected.

Mr P.W. ANDREWS: The member for South Perth would then say that we cannot put in three more lanes of traffic. That is what would have happened.

Ms A.J. MacTiernan: There is no way that the volumes of people that need to be moved could be moved on buses down that spine. It would be the most inefficient way of doing it.

Mr P.W. ANDREWS: The minister is stealing my thunder. I was going to use that point when I spoke on Canning Vale.

Dr J.M. Woollard interjected.

Mr P.W. ANDREWS: Members talk about technical problems. I accept that there will be technical problems with development. However, I have a bit of faith in the engineers in Western Australia. It is almost as though there is no other place in the world that has put down a line like this. There has never been a rail line that goes into a central business district! Our engineers are so useless that they could not manage that! I think they are pretty good and they just might be able to overcome the issues.

Mr R.N. Sweetman interjected.

Mr P.W. ANDREWS: They will overcome the problems on budget. I am happy that the minister will be well in control of that budget.

I support the position that the residents in Glen Iris have directed me to present to this House; that is, they do not want the line that the Opposition has continuously pushed. If a miracle happened and the member for Murdoch became Leader of the Opposition - I would not vote for him if I was in his ranks - and his side won at the next election, would he change this plan and re-route these trains through Kenwick? The member should remember that I will take this response back to my constituents.

Mr M.F. Board: If hundreds of millions of dollars of taxpayers funds had been expended and it had already passed the stage of reparation - in other words, it could not be rescued - it must be considered on the basis of the funds that had already been spent on the project. That is the reality of the matter.

Mr P.W. ANDREWS: That is neither a no nor a yes.

Mr M.F. Board: The member must look at the current situation. I will make a prediction that he will not see any new rail track before the next election. That will be a disgrace and he will be judged on that.

Mr P.W. ANDREWS: I do not hear the member for Murdoch, the future Leader of the Opposition, saying that he will continue with this plan. I cannot hear the next Leader of the Opposition saying that he will support my constituents down at Jandakot.

Debate interrupted, pursuant to standing orders.

[Continued on page 930.]

SANDOVER MEDAL, ALLISTAIR PICKETT

Statement by Member for Dawesville

MR A.D. MARSHALL (Dawesville) [12.50 pm]: I thank all members on both sides of the House who faxed or e-mailed a congratulatory note to my office following the announcement last week of the Sandover Medal for 2002. Peel Thunder's Allistair Pickett's victory surprised all the tipsters, but what was more amazing was that Peel Thunder Football Club - the fledgling club; the club that seven metropolitan presidents wanted kicked out of the Western Australian Football League competition - produced players that finished first, second and fourth in the vote. For the record, Allistair Pickett from Peel Thunder won with 33 votes, Daniel Wells from Peel Thunder and Ryan Turnbull from East Perth Football Club tied for second place with 27 votes, and Darren Bolton from Peel Thunder came third with 23 votes. As chairman of the 1994 steering committee that applied for and won the licence from the Western Australian Football Commission to have the first country side in history included in the WAFL competitions, and as Peel Thunder's number one badge holder, I was incredibly proud of the Peel region on Sandover Medal night.

On Tuesday, 11 March 1997, it is recorded in *Hansard* that I inadvertently predicted Peel Thunder would be favourite for a flag in four years. I apologise for misleading the House. I meant to say that in 2002 players from Peel Thunder Football Club would finish first, second and fourth in the Sandover Medal vote. Peel Thunder can also boast having Leigh Hughes as runner-up in the Prendergast Medal. The runner-up in the Jack Clark or Colts medal was Leone DeMarte. The club also made the finals with the Colts team for the second time and has won five of its last six matches. Mandurah is not only the home of the blue mana crab but also it is now the home of the 2002 Sandover Medal!

MANDURAH SCHOOLS, ENVIRONMENT PROJECTS*Statement by Member for Mandurah*

MR D.A. TEMPLEMAN (Mandurah) [12.52 pm]: Some tremendous projects have been initiated by students and teachers in schools within my electorate. I will highlight two examples where school staff and students have worked to protect and highlight the importance of a healthy environment in our community.

The Mandurah High School has a group of students who are voluntary environment officers. James Homewood, Matthew Hawes, Alena Marshman, Nicole Wych, Shannon Bright, Christie Pittaway, Garry Swindell and Nathan Spear, supported by teacher Ms Michelle Gaudoin, constitute the school's environmental group. This group carries out a range of activities - all positive - which seek to maintain a clean and healthy school environment. The group also promotes the need to conserve and protect our natural environment for the benefit of future generations. Mandurah has some of the most beautiful beaches in the country. The Mandurah Primary School, in conjunction with the City of Mandurah, has adopted the two kilometre stretch of coastline from the northern boundary of the Mandurah Ocean Marina to Wade Street. The school's participation in the adopt-a-beach program, developed by the Peel south west coastal management group, involves students in beach clean-ups, monitoring and collecting of data related to coastal changes and identifying problems with the beach. The students of Mandurah Primary School are enthusiastic about their role and I congratulate them and the school staff, particularly the hard-working school project coordinator, Ms Jenny Shiner. These schools, the students and staff, deserve acknowledgment and congratulations for the practical ways they are caring about our fragile environment and making a tremendous contribution to the Mandurah community. I applaud them for their efforts.

EAST PERTH FOOTBALL CLUB, GRAND FINAL*Statement by Member for Murray-Wellington*

MR J.L. BRADSHAW (Murray-Wellington) [12.53 pm]: I rise to comment on the East Perth Football Club, because I will not be here next week. I wish that club all the best in the Western Australian Football League grand final. Under the leadership of the coach, Tony Micale, the East Perth Football Club has seen a purple patch for the past three years, and this fourth year will show that it can win three grand finals in a row. Unfortunately, I will not be present because I will be attending a major event in my electorate on that day; that will be a shame, because it will be the first time in three or four years that I have missed the grand final. I do not like to pick on umpires; however, I feel that in the game last Sunday in which East Perth defeated Subiaco the umpires were a little overenthusiastic. They were frightened of losing control of the game. I am defending the Subiaco players in this instance, because I do not think they should have been charged or sent off the field. Under the circumstances, the umpires were overenthusiastic and I hope that in the next two games the umpires will let the game flow as it should. Football is a contact sport and the umpires should not be so enthusiastic in pulling up the game for fear of losing control. I am sure they will not and that they will umpire as normal. I congratulate East Perth on again reaching the grand final. I am sure we will be celebrating on Sunday week.

KALGOORLIE RACING INDUSTRY*Statement by Member for Eyre*

MR J.J.M. BOWLER (Eyre) [12.55 pm]: Today is Hannans Handicap day. It is the middle of the famous Kalgoorlie Race Round, and I should be there instead of here. However, being in Parliament gives me an opportunity to raise a matter of extreme importance. The racing industry is, after mining, one of the biggest in the goldfields. It provides a lot of jobs and brings in tourist dollars. While the round is one glorious week, the industry exists 12 months of the year: in Esperance in summer, Kalgoorlie in winter and outlying towns like Norseman, Leonora, Laverton and Leinster in spring and autumn. The problem is that while the industry exists 12 months of the year, in reality it exists on a financial basis only because of the success of the big days, the cup days, like the Kalgoorlie Cup on Saturday.

The Kalgoorlie Cup, in my opinion, is the second biggest meeting in Western Australia each year behind the Perth Cup, yet still the Western Australian Turf Club continues to compete with our cup meeting with races at Belmont, where the only people attending are those who cannot get to Kalgoorlie. A couple of years ago the WATC threatened the future of the Hannans Handicap meeting, forcing it to be held on Thursday instead of Wednesday after 100 years, thus reducing the tourist impact on the round. The good news is that our Government has now drafted legislation that will introduce Racing and Wagering WA. Hopefully, this organisation will control racing, pacing and chasing next August, so that by this time next year the Kalgoorlie Cup will be the only meeting in WA that day, with the Belmont meeting held on the Sunday. Also, the Hannans Handicap will be back to a Wednesday meeting and the Kalgoorlie Race Round will maintain its tradition as the biggest and best race meeting in Western Australia.

LUTHERAN COLLEGE, DALYELLUP*Statement by Member for Vasse*

MR B.K. MASTERS (Vasse) [12.57 pm]: On 27 August, the Lutheran Church met with the Education Department's appeal panel in the church's continuing efforts to gain support for the establishment of a Lutheran college at Dalyellup. For the past four years, the church has been seeking the standard, interest-free loan that the State Government has

traditionally provided to non-government, usually religious, groups that wish to establish a school. To date, the Education Department has declined to offer loan funding support to the Lutheran Church on the grounds that student numbers in the larger Bunbury region are not rising at a rate sufficient to justify a new school. However, in the five-year period between 1997 and 2002, there has been a 14.7 per cent increase in government secondary school numbers in the region, a 13 per cent increase in kindergarten and preprimary enrolments and a 6.9 per cent increase in primary school enrolments. Within the private school sector, the secondary school increase has been 25.4 per cent.

The siting of the proposed school at Dalyellup on the south side of the Bunbury region, and closer to the rapidly growing schools of the Busselton shire, has increased the potential student catchment population even further, and students from Busselton are now likely to attend a Lutheran school based in Dalyellup. I call on the Minister for Education to sympathetically consider the application by the Lutheran Church to gain approval for a new school in Dalyellup. I believe that the minister is a strong supporter of the non-government school system, since it provides parents with educational choice for their children. On the basis of large and ongoing increases in student numbers within the south west, I urge the minister to support the church's application for loan funding.

AUSTRALIA AND ITS PEOPLE

Statement by Member for Peel

MR N.R. MARLBOROUGH (Peel - Parliamentary Secretary) [12.58 pm]: At a time when the world has been in mourning over the disasters of September 11 and countries have been questioning their relationships with their neighbours, I take this opportunity to reflect on where we stand as people and as a nation. First of all, tolerance right across nationalities ought to be paramount in our thinking. When I think of tolerance and how we need to get on together, I look at this nation and what it was built on and, in particular, its migrants. I want to mention a couple of them: Frank and Maria Konecny. Frank, who has passed away, fought in the underground in Austria during the Second World War. Frank later worked in Wittenoom and went on to become mayor of Kwinana; he was a tremendous contributor to this great nation.

I am also celebrating a sad time with the loss of my brother-in-law Ben Di-Sabato. Many members of Parliament knew Ben, who worked for the Government as a driver. He came out from Italy as a young man of 25 and married my sister-in-law Janice. Thankfully his legacy lives on in his young children: Marc, Elena, Laura, Lorena and Paola. Ben and his family have contributed a great gift to this nation.

It is appropriate, at a time when the world has paused to think about relationships between countries, to recognise the good that comes from the differences between us rather than concentrate on the negatives.

Sitting suspended from 1.00 to 2.00 pm

QUESTIONS WITHOUT NOTICE

LEWANDOWSKI AFFIDAVIT, LETTER FROM DPP TO RAYMOND MICKELBERG

107. **Mr C.J. BARNETT to the Attorney General:**

I refer the Attorney General to his statement in this House yesterday that he had done nothing wrong in handing the Minister for Health the Lewandowski affidavit on Saturday, 8 June, as he had also handed the affidavit to the Mickelbergs.

- (1) Is the Attorney General aware of a letter from the Director of Public Prosecutions to Raymond Mickelberg confirming that it was in fact the Director of Public Prosecutions and not the Attorney General who forwarded the Lewandowski affidavit to the Mickelbergs?
- (2) Is the Attorney General aware of any reason that the Director of Public Prosecutions did not send a similar letter and a copy of the affidavit to the Minister for Health?
- (3) Can the Attorney General also confirm that the affidavit was forwarded to the Mickelbergs on Monday, 10 June, two days after the Attorney General had personally handed it to the Minister for Health?

Mr J.A. McGINTY replied:

- (1)-(3) The answer to the final part of the question is yes. As to the second part of the question, asking why a letter was not also sent to the Minister for Health from the DPP, and the first part of the question indicating that the affidavit was sent to the Mickelbergs by the DPP, that is quite correct. We discussed who the matters would go to and the need to send it to the police royal commission. It was convenient for my office to do that and convenient for the office of the DPP to give it to the police and also to the Mickelbergs. I have indicated that some of the documents were sent by me and some by the DPP. That is the best I can answer the question.

LEWANDOWSKI AFFIDAVIT, MINISTER FOR HEALTH

108.J. **BARNETT to the Attorney General:**

As a supplementary, on what basis did the Attorney General believe the Minister for Health had any right, let alone a greater right than the Mickelbergs, to full and early access to the Lewandowski affidavit?

Mr J.A. McGINTY replied:

All these matters were dealt with within days as a matter of some priority, including informing the public of Western Australia about them.

DEPARTMENT OF AGRICULTURE, LOCUST AWARD

109.B. WATSON to the Premier:

I refer to the Department of Agriculture's short-listing for an international award for its emergency response to the Australian plague locust outbreak in 2000-01. Has the Premier any news on the outcome?

Dr G.I. GALLOP replied:

The Commonwealth Association for Public Administration and Management receives more than 150 submissions from 10 countries for its innovations in governance award. The Department of Agriculture's locust control campaign was one of 10 submissions short-listed for the prestigious awards, which were announced in Glasgow last night. The department was in fact awarded the 2001 Premier's award for excellence in public sector management for its handling of the outbreak. More than 600 department staff contributed to an outstanding program, using innovative technology to minimise the impact of the Australian plague locusts in 2000. We all remember the television coverage of that major problem that was faced by Western Australia.

I also acknowledge the work done on the project by the former Minister for Primary Industry, the member for Stirling. He is not with us but I am sure that the member for Merredin will pass that on to him. A significant part of Western Australia's \$4.5 billion agricultural industry would have been at risk if the department and the Agriculture Protection Board had not developed and implemented a comprehensive emergency response plan for the outbreak. A total of 477 055 hectares on 599 properties in 32 shires was targeted between October and December using the latest technology to achieve the outcomes. Cutting edge information technology, never used before in Australia for such an application, excellent technical information and communication, and a well-developed and carefully executed emergency management plan were important success factors.

In reaching the shortlist, submissions were measured against criteria for effectiveness, innovation, relevance, significance and appropriateness to regional economic conditions.

Mr B.K. Masters: Why not do this by way of a ministerial statement?

Dr G.I. GALLOP: That interjection is not worthy of any member of this Parliament.

I am pleased to advise the House that the Western Australian Agent General contacted the Government this morning to advise that the Department of Agriculture has won the silver medal. This is a prestigious award, and on behalf of the Government I commend the many officers of the department for their outstanding achievement and the international recognition that they have earned for the great State of Western Australia.

LEWANDOWSKI AFFIDAVIT, LETTER FROM DPP TO RAYMOND MICKELBERG

110.E. WALKER to the Attorney General:

I refer the Attorney General to the covering letter to the Lewandowski affidavit from the Director of Public Prosecutions to Raymond Mickelberg dated 10 June 2002, which states -

... I have referred the affidavit to the police and requested that they provide me with advice concerning the veracity of the statements set out in it and the extent, if any, to which it implicates other police officers or other criminal activity. I expect the police to advise me of these matters in due course.

- (1) Is the Attorney General aware of advice received by the DPP from the police in regard to this matter?
- (2) What is the nature of that advice, and does it implicate any other current or former police officers?
- (3) If the Attorney General is not aware of such advice, and given that three months have now passed since the original request, will the Attorney General undertake to obtain that advice as a matter of urgency and table it in the House?

Mr J.A. McGINTY replied:

- (1) No.
- (2) Not applicable.
- (3) No.

*SMALL BUSINESS MATTERS ARTICLE***111.P. O'GORMAN to the Minister for Consumer and Employment Protection:**

Is the minister -

Several members interjected.

The SPEAKER: Order! The member for Joondalup is trying to ask a question.

Mr A.P. O’GORMAN: Is the minister aware of a publication called *Small Business Matters*, has he read it and does he have a response to an article titled “A real disgrace in real estate”?

Mr J.C. KOBELKE replied:

I think it was at the invitation of the member for Joondalup that I was with a small business group in his electorate where I first got a copy of the member for Mitchell’s publication *Small Business Matters*. Perhaps I will take the opportunity on other occasions to point out how inaccurate much of the article was. The article headed “A real disgrace in real estate” said in part that the industry’s representative was the one appointment that was specifically supposed to be kept at arm’s length from government influence. The member obviously knows nothing about his shadow portfolio, because two members represent the industry. One is the proposed Mr Hoad, whom I have refused to appoint and who seems to have the support of the Opposition, and the other is Mr Bill Goddard, who was recently elected and is a representative of the industry. It was clearly factually wrong to say that there was one appointment. The article goes on to state -

When tackled on the matter in Parliament, the Minister gave an unsatisfactory explanation and dragged up an irrelevant pecuniary matter.

An irrelevant pecuniary matter? In May 2000 the board of the Real Estate Industry Association of Western Australia found Mr Hoad guilty of a breach of the real estate code of conduct. He was fined \$500 with costs of \$250. A trust account for which he was responsible had \$20 000 stolen from it. According to the Opposition, that is an irrelevant pecuniary matter. People have had tens of thousands of dollars stolen from trust accounts when the Opposition when in government had custody of this matter. It simply does not care about protecting people’s investments and making sure that real estate agents with responsibility for trust accounts fulfil their statutory obligations and do not breach the law. In this instance, the board in charge found a breach, imposed a fine and awarded costs. That in the Opposition’s terms is an irrelevant pecuniary matter. We see from the member for Mitchell that he is again involved in writing works of fiction. He is becoming a key fiction writer. The facts are totally irrelevant to his stories. As long as it sounds good, he puts it down. When we come to the awards for fiction writing, we know that one of the prime contenders will be the Deputy Leader of the Liberal Party.

METROPOLITAN REGION SCHEME AMENDMENT 1060/33A

112.L. EDWARDES to the Minister for Planning and Infrastructure:

I refer the minister to the metropolitan region scheme amendment 1060/33A -

Several members interjected.

The SPEAKER: Members!

Several members interjected.

The SPEAKER: Members! Question time was progressing reasonably well, but it is very difficult when a question cannot be asked due to interjections.

Mrs C.L. EDWARDES: I refer the minister -

Several members interjected.

The SPEAKER: Members! I ask members to resume their seats.

Mr C.J. Barnett: Go over there, sit down and behave yourselves.

The SPEAKER: I ask that all members return to their seats. If I need assistance, the attendants will provide that. I ask that the aisles of the Chamber be kept clear.

Mrs C.L. EDWARDES: Mr Speaker, I hope that later I will be able to have that map laid on the Table of the House for the remainder of today’s sitting.

I refer to metropolitan region scheme amendment 1060/33A, which will allow railway works to proceed within a road reservation, including all primary regional roads or other regional roads on the MRS, without the need for development approval or consultation with local councils or the general public. Will the minister confirm that if this amendment goes through, the Government will be able to construct railways or light rail along any major arterial road depicted in red or in blue on this MRS map, without the need for development approval?

The SPEAKER: Order! That map will remain on the Table of the House for the balance of today’s sitting.

[The paper was tabled for the information of members.]

Ms A.J. MacTIERNAN replied:

This is quite entertaining, because, as I have explained to this House before today, the minor amendment process to address this and a range of other points was commenced by the previous Government. The member for Kingsley is an intelligent and capable member. I thought that when I explained this to the member yesterday and handed her a copy of this document, we would make some progress on this matter and she would understand that this has always been the situation - until the famous case in which the City of Bayswater took action against the Department for Community Development to stop it from building -

Several members interjected.

Ms A.J. MacTIERNAN: It is a serious issue, and I want to address it. We cannot sneak through rail construction. I cannot build rail along every road -

Several members interjected.

Ms A.J. MacTIERNAN: I know that members opposite are rail phobic. Their history has been to pull up rail. They are now concerned that we are putting down rail. They are now alleging that we will go around the metropolitan area and build railway lines along all of these roads. An important piece of legislation that I would like to introduce to the member for Kingsley, because she is not the opposition transport spokesperson so she might not be aware of it, is the Western Australian Government Railways Act. That Act provides that before any piece of railway can be built, it must come to the Parliament for approval and full scrutiny.

Mr P.G. Pandal interjected.

Ms A.J. MacTIERNAN: I will not let blustering and bullying from the member for South Perth stop proper debate on this matter. I make it clear that we will be seeking planning approval for all aspects of the rail between the Narrows and Northbridge, all of the bridgeworks and all of the stations. A wide variety of planning approvals will be sought by this Government, and we hope to have those applications in place within the next few months.

METROPOLITAN REGION SCHEME AMENDMENT 1060/33A

113.L. EDWARDES to the Minister for Planning and Infrastructure:

I ask a supplementary question. The minister obviously does not understand that this minor amendment will allow any rail, not just the southern railway, to be built on any road that is coloured red or blue.

The SPEAKER: Order! On a supplementary, a member must ask the question and not give a preamble. If the member has a supplementary question, please ask it.

Mrs C.L. EDWARDES: If the minister wants to have a minor amendment for the construction of the southern rail link down the centre of the Kwinana Freeway road reserve will the minister now cancel this minor amendment and put it through as a major amendment for the southern railway?

Ms A.J. MacTIERNAN replied:

We do not have a problem with making a development application for all of the rail.

Several members interjected.

The SPEAKER: Order! Members, I am sure the cross-Chamber interjection is very interesting. However, the minister is endeavouring to answer the member for Kingsley's supplementary question, and I ask those people who are more interested in talking to people across the Chamber to desist.

Ms A.J. MacTIERNAN: As I have endeavoured to explain, we will be applying for a raft of development approvals for this rail. We are happy to go even further and make development applications for the whole rail, if that is necessary. We are not relying on this particular amendment. This process of having a minor amendment was commenced by the previous Government. We are simply continuing with that process.

HEALTH INSURANCE FUNDS, INCREASE IN PREMIUMS

114.W. ANDREWS to the Minister for Health:

Can the minister confirm that the Commonwealth has given the go-ahead to the private health insurance funds to increase the cost of private health insurance premiums without reference to the federal Minister for Health?

Mr R.C. KUCERA replied:

I thank the member for Southern River for the question, because it is his area and areas like his in the outer suburban parts of this city that will be impacted on the most by this decision. Again we will have a rise in the cost of private health insurance that will drive even more people into our public hospital system. I have some figures with me. After previous undertakings by the Commonwealth that it would agree only to genuine price rise applications, the health

insurance funds will now be at liberty to increase premiums each year by at least the consumer price index without reference to the federal Minister for Health. In other words, private health insurance fund members are facing another three per cent price increase this year, and this is within months of an 18 per cent increase by Western Australia's largest insurer. That will equate to a 21 per cent increase this year. The member for Murdoch, in supporting that, has obviously become part of the pathway towards deregulating health insurance in this country and thereby penalising people who do not take out private health insurance by starving the public health system of Medicare money. If the member for Murdoch and the federal Government were proud of their announcement yesterday, why did they cynically use 11 September to announce it? This is an orchestrated action on the part of the coalition parties to destroy the Medicare scheme through a long-term, insidious program of neglect. The federal Government is now showing its true colours. It is about providing massive and direct support to the private health system in this country at the expense of public hospitals. We as a State Government will not sit back and allow that to occur. It is an absolute disgrace. The opposition spokesperson is supporting the people who would do this to the most needy in Australia.

MINISTER FOR HEALTH, SUPPORT FOR SOUTHERN RAIL PROJECT

115.F. BOARD to the Minister for Health:

By the minister's own admission quoted in numerous newspaper articles in recent weeks, public hospitals in Western Australia are under funded. Given -

- (a) the constant overcrowding of emergency departments in tertiary and most secondary hospitals;
- (b) bed shortages;
- (c) record levels of ambulance bypass;
- (d) the admission in estimates hearings this year that the real increase in the health budget after inflation was 1.5 per cent - or three per cent, as now admitted by the minister in answer to the last question; and
- (e) the cancellation of surgery in recent weeks at many hospitals, both tertiary and secondary,

how does the minister justify to the Western Australian community his support for hundreds of millions of dollars of taxpayers' money being used on a poorly planned southern rail project that could otherwise be used to upgrade tertiary hospitals, create more beds and really help the people of Western Australia? What is the minister's position?

Mr R.C. KUCERA replied:

Is this not an interesting question coming from somebody who just admitted by interjection during the last answer that he supports the federal Government's privatising health in this country? I will quote some figures from the Australian Institute of Health and Welfare's report released last week and in a moment I will refer to a media release from the member for Murdoch in which he quotes those figures. The figures really show that in 2000-01 the Commonwealth spent \$501 per person in WA on Medicare and pharmaceutical benefit schemes, which is about \$75 less than the national average.

I remind members in the House that the \$150 million relates to a period when members opposite were in government. It also relates to a health care agreement that was negotiated by members opposite. If we had been treated equitably, some \$150 million would have flowed to the Western Australian health system in that year alone. It is interesting to note that that is almost the amount of the shortage that was required every year during the previous Government's term to make sure that health was supported in this State.

It is an absolute disgrace for the member for Murdoch to raise these issues when it is clearly an obligation of the federal Government to support every single Australian citizen. The figures have been quoted and it is about time the member for Murdoch got off his bot and started to say to his federal people, "Support Western Australia."

MINISTER FOR HEALTH, SUPPORT FOR SOUTHERN RAIL PROJECT

116.F. BOARD to the Minister for Health:

I have a supplementary question. It is a simple question: does the minister have private health insurance?

The SPEAKER: That is not a supplementary question. It is a question about a personal matter and does not relate to the minister's portfolio.

Mr M.F. Board: Maybe he should -

The SPEAKER: I call the member for Murdoch to order for the first time. I am sure that members on both sides of the Chamber know that is the rule in relation to questions.

BURRUP PENINSULA, OTHER STATE DEVELOPMENTS

117.W. TRENORDEN to the Treasurer:

I refer to an article in *The West Australian* on 31 August 2002 in which the Treasurer stated that the next round of developments on the Burrup Peninsula would present the State with a \$300 million bill. He said that was probably beyond the capacity of the WA Government at this time.

- (1) Has Treasury provided advice to the Treasurer on which regional projects will be suspended indefinitely due to the blow-out of the state budget caused by the Perth to Mandurah rail project?
- (2) Has Treasury provided advice that development of the Burrup will be put at risk due to the lack of planning and inaccurate budgeting of the Perth to Mandurah rail project?
- (3) What is the estimated debt structure to be forced upon Treasury to accommodate the extravagance of the Perth to Mandurah rail project?

Mr E.S. RIPPER replied:

- (1)-(3) There is no blow-out in the Perth urban rail project. The Leader of the National Party's question is totally misinformed, if that is the basis on which he asked it. Perhaps he was not listening to question time yesterday when I explained that at the beginning of the last election campaign the coalition Government, of which the National Party was the junior coalition member, presented to the people its forecast of a debt of \$5.9 billion by 30 June 2004. Our forecast for the same date, as published in the last budget papers, is \$6.2 billion; that is the figure after we have taken hidden coalition debt out of its hiding place in private financial arrangements and put it back onto official debt figures. We did that with the Matrix car fleet financing facility and we have done it with the rolling stock financing facility. Our debt forecast, therefore, after we retrieved that hidden coalition debt and put it back onto official debt figures, is broadly in line with the coalition Government's plans, which were released by the Under Treasurer at the beginning of the election campaign.

The issue that the Leader of the National Party should be concentrating on is that this State is severely disadvantaged. When we get the benefits of resource development projects, the Commonwealth Grants Commission equalises away those benefits to other deserving States - such as Queensland, and the Australian Capital Territory which have a much higher per capita income than the rest of the country. What does not happen, but should happen, is that there is no equalisation of the cost of providing that infrastructure. Our taxpayers therefore provide the infrastructure for these nationally important projects and when the revenue benefits come to Western Australia, 90 per cent of them are equalised away to other States. That is the issue.

What I was pointing to in my remarks in *The West Australian*, quoted by the Leader of the National Party, was the difficult issue that is confronting Western Australia. We have these nationally important projects and we must make commitments. They are tough for us to make because we are trying to control debt. When we make them, we do not get an adequate share of the returns, because the benefits are equalised away. Why does the Leader of the National Party not join with us in trying to get a better deal from Canberra so that we can get on and develop this State?

BURRUP PENINSULA, OTHER STATE DEVELOPMENTS

118.W. TRENORDEN to the Treasurer:

I have a supplementary question. I do not want to be unreasonable; however, I would like an answer to the question. Is the \$300 million that the Treasurer referred to at risk and has the Treasurer been advised by Treasury that there is some risk? Has the Treasurer been advised by Treasury that he will have to examine some regional and rural projects that may be at risk because he must find the money and will he supply the information on the debt?

Mr M. McGowan: Mr Speaker, that's three questions.

The SPEAKER: The supplementary question is one question. I ask the Treasurer to answer the first question put by the Leader of the National Party.

Mr E.S. RIPPER replied:

I am not acting on Treasury advice on these matters; I am making my own judgment that an extra \$300 million demand for infrastructure will be difficult for the State Government to meet.

DNA BACK-CAPTURE PROGRAM

119.J.M. BOWLER to the Minister for Police and Emergency Services:

I understand that a DNA back-capture task force has begun taking samples from the Eastern Goldfields Regional Prison in Kalgoorlie-Boulder. Can the minister inform the House of the progress of the back-capture program around Western Australia and any recent results in fighting crime?

Mrs M.H. ROBERTS replied:

I thank the member for Eyre for the question and for his strong commitment to law and order issues. The results so far have been nothing short of astounding. Only this morning I announced that one in five DNA samples taken as part of the back-capture program from serious offenders around Western Australia has been linked to unsolved crimes. Since the back-capture program commenced, which, as members may be aware, was only in July this year, some 782 samples have been recorded on the central database. They have provided direct links to 160 unsolved crimes. That is a

magnificent effort. It will certainly send a very clear message to anyone involved in criminal activity. These incredible results will not only help solve crime but also serve to protect the innocent.

I note that of the 160 unsolved crimes, a variety of offences are involved, including burglary, vehicle crime, stealing, graffiti and major crime such as sex offences, robbery and homicide. Our Government has committed more than \$22 million to this important program, which will give the police a comprehensive database of criminals.

DNA is a revolutionary crime-fighting tool for the future. As part of the Government's commitment to crack down on crime, we anticipate that during this financial year we will collect some 6 000 DNA samples. By solving crime more quickly and efficiently, we believe that more police will be released to patrolling and to high-profile, front-line duties to make our communities safer and more secure.

In news just to hand, it has been confirmed that as a result of the DNA sampling, this morning we achieved our first conviction. I know the member for Eyre will be interested in this, because it related to an offence of aggravated sexual penetration that took place in the Kalgoorlie region. I am advised that this morning a plea of guilty was entered by a juvenile, so already we have a conviction based on this successful legislation the Government has put in place.

KALAMUNDA DISTRICT COMMUNITY HOSPITAL, REDEVELOPMENT

120.H.D. DAY to the Minister for Health:

I refer the minister to the Labor Party's election promise, which was signed by the now Premier, to complete the \$5.5 million redevelopment of Kalamunda District Community Hospital and the minister's written confirmation in May this year that \$2.226 million had been allocated in the current financial year.

- (1) Why is the minister now saying to the people of the Kalamunda and Midland regions that there are more pressing priorities in health at this point?
- (2) Is the minister not aware that funding to deal with the current crisis in nursing numbers and waiting lists is separate from the capital works budget for health?
- (3) When will the construction of the redevelopment of Kalamunda District Community Hospital begin, if at all?
- (4) Will the minister guarantee the people of the Kalamunda region that obstetric services at their hospital will be fully upgraded as promised?

Mr R.C. KUCERA replied:

- (1)-(4) I wrote to the member for Darling Range the other day advising him of the Government's priorities. Unless he has been absolutely blind and deaf in the past couple of weeks, he would realise that there are enormous pressures on our emergency hospitals, and they are the principal priority for the Government of the day.

I congratulate the member for Darling Range on initiating the Douglas inquiry. That has put enormous pressures on the Government in terms of obstetric services. A very clear and positive planning process for obstetric services is occurring at the moment, in which Swan District and Kalamunda District Community Hospitals are taking part. I have already said that those issues come first and the supply of obstetric services is a priority.

In terms of any guarantees, it is all part of the planning process, as I have said on a number of occasions. When those planning processes and the systems to deal with obstetric services that arise out of the Douglas inquiry are complete, any renovation or rebuilding that is necessary will take place in accordance with the Swan Health Service, which includes both Swan District and Kalamunda District Community Hospitals.

MINISTER FOR CONSUMER AND EMPLOYMENT PROTECTION, ACTION ON FUEL PRICES

Matter of Public Interest

THE SPEAKER (Mr F. Riebeling): Today I received a letter from the Deputy Leader of the Opposition seeking to debate as a matter of public interest the following motion -

That this House demands that the Premier stand aside the Minister for Consumer and Employment Protection for failing to take effective action to honour Labor's election promise to reduce fuel prices.

If sufficient members agree to this motion, I will allow it.

[At least five members rose in their places.]

The SPEAKER: The matter shall proceed on the usual basis.

MR D.F. BARRON-SULLIVAN (Mitchell - Deputy Leader of the Opposition) [2.35 pm]: I move the motion.

The Government made a number of promises when in opposition in relation to fuel and liquefied petroleum gas prices, and in particular to the country people of Western Australia.

Point of Order

Mr R.F. JOHNSON: I am having great difficulty hearing the Deputy Leader of the Opposition. There are many conversations going on. I draw your attention to that, Mr Speaker, because we should be able to hear the member.

The SPEAKER: It is not a point of order; however, it is true. The level of conversation in this place often reaches such a level that we cannot hear the speaker. The Deputy Leader of the Opposition is the primary speaker on this matter.

Debate Resumed

Mr D.F. BARRON-SULLIVAN: When in opposition, the Labor Party promised greater competition in the fuel industry. It promised to bring down fuel prices. I will read from a newspaper article of 25 January which quoted the current Premier. The member for Albany will like this quote. It states -

Dr Gallop said a Labor government would reintroduce price controls for retail petrol, diesel and LPG products in regional WA and stimulate competition to bring fuel costs down.

The SPEAKER: It is not appropriate that the member for Perth view that document at the Table while the House is sitting. If he wishes to view the document, he can take it outside the Chamber and then bring it back. However, he is not supposed to sit at the Table during debate.

Mr J.N. Hyde: I apologise. I was advised that I had to look at the document here. I accept your advice, Mr Speaker.

Mr D.F. BARRON-SULLIVAN: I continue with my quote from the newspaper article. The Premier was quoted as saying -

The increased competition would produce significant cuts in petrol prices.

I will say that again in case the backbench did not hear: the increased competition would produce significant cuts in petrol prices. The Labor Party also promised to close the gap between country and Perth prices for petrol. All this was going to be achieved through a mechanism called the maximum wholesale price. That was a recommendation of a select committee of inquiry of this Parliament. It was supported on a bipartisan basis by every member of that committee. The Labor Party embraced that recommendation. The Government of the day, the coalition Government, supported it. The Liberal and National Parties to this day still support it. The Motor Trades Association and small retailers support it. The Independents support it. However, the Government has not got it to work. Despite bringing in the system in April 2001, to this day not one litre of petrol has been sold in accordance with the maximum wholesale price. Members should not take my word for it. None other than the Chairman of the Australian Competition and Consumer Commission, Professor Allan Fels, has reinforced exactly that point in a letter dated 9 August, in which he concluded that no fuel is being sold in this State in accordance with the maximum wholesale price arrangements.

Today one of the major independent fuel companies in Australia and in Western Australia, Liberty Oil Pty Ltd, has confirmed exactly the same point on the public record and has described what an absolute mess the fuel pricing arrangements are in Western Australia as a result of the gross mismanagement of the Minister for Consumer and Employment Protection. Other oil company representatives, from major oil companies and independents alike, have met with me, and they have said precisely the same thing.

The problem, of course, has been compounded by the monopoly that BP Australia Ltd has been handed on a plate as a result of inaction by this Government. It is appropriate that I outline for members a bit of history. Under the previous coalition Government, new fuel specifications were introduced in this State. Under those specifications, Western Australians got fuel that was among the cleanest in the world - cleaner than that in California. Western Australia has no methyl tertiary butyl ether in its fuel; California does. I challenge the minister to name one country in Europe that has cleaner fuel than we have. At the time, the Government arranged this in such a way that the premium for introducing that clean fuel specification was one-third of a cent a litre. Again, members need not take my word for it. I have with me written notes from the industry task force that was established to assist the Government with those guidelines, and none other than BP's representative confirmed -

The reality was that it -

That is the new clean specification petrol -

is available elsewhere in the region and the premium actually amounted to about one-third of a cent per litre.

BP confirmed that we would pay about one-third of a cent a litre for the clean fuels. Importantly, that would enable the independent operators in this State to continue to be competitive and to continue to deliver the goods at the right price for WA motorists. I believe most people will agree that a one-third of a cent a litre premium for the cleanest fuel in the world is not a bad deal.

The Australian Competition and Consumer Commission has confirmed that BP is using its monopoly to prevent the independents from applying their competitive abilities in this State. We found out today that, under Labor, BP has profited from that monopoly, and Western Australian motorists are now being charged around 2c a litre over the odds because of the clean fuel specifications in this State. That is not the fault of the clean fuel specifications. Presumably, the cost to BP to produce fuel to meet those specifications is about one-third of a cent a litre. Undoubtedly, the minister

will defend BP today because he does not have the guts to take on BP and get it back to the sort of figure that I have quoted from these minutes from BP - a figure that I add is widely understood in the industry to be the case. However, if the minister wants to defend BP's position later on, that is his prerogative. I would be delighted to hear the Premier defend the same company that he accused his predecessor of virtually being in bed with. The simple fact is that this Government does not have the guts to break that monopoly to assist the independent operators in this State.

The key point is that that 2c a litre is not chickenfeed. It amounts to about \$32 million a year extra that WA motorists must pay for their fuel as a result of this Government's inaction. Imagine if this Government introduced a new tax of \$32 million. Those are not my figures; they are from the industry. If the minister thinks they are incorrect, he should say so, because I will run them past the industry and we will compare the credibility ratings in this matter. The bottom line is that the Government is, in effect, writing a cheque for \$32 million that will go from WA motorists into the pockets of BP.

Mr J.J.M. Bowler interjected.

Mr D.F. BARRON-SULLIVAN: The member for Eyre might be happy. His constituents are paying a very high premium for fuel. Does the member know what we heard today? We heard today from one of the major independent corporations in this country that if the member's Government could get the maximum wholesale price to work, there would be a reduction in the price of fuel in country WA of around 5c a litre, on average - probably a damned sight more in the member for Eyre's electorate. I suggest that the member should get behind this motion and support the independent operators and competition in this industry.

Under the current minister, there has been an absolute failure to attempt to get the maximum wholesale price to work. We know now that the so-called 50-50 regulations that the Government introduced and that the Premier said would result in significant cuts in petrol prices have not been effective. Not one retailer has been able to obtain fuel under the Government's 50-50 laws. There is now less competition. Independent operators have gone broke in their droves. I was at a former independent fuel station site the other day, and do members know whom the former operators of that site blame for the fact that their business has gone broke? They blame the minister. They know what is happening in this industry and who has let them down. All the minister's squealing in this Chamber will not prevent them from forming that perception.

Mr M.P. Whitely: What did you do?

Mr D.F. BARRON-SULLIVAN: The member should ask his Premier about the \$20 million promise to subsidise liquefied petroleum gas prices. By interjection, will the Premier tell me when he will introduce his \$20 million subsidy on LPG conversions? It is another broken promise by this Government, and we found out today that we are not paying lower fuel prices; we are paying higher fuel prices - \$32 million a year higher. It is time this Government got tough on BP and broke the monopoly. I know that the minister and the Premier will defend BP later on. This Government inherited from the previous Government the toughest petrol pricing laws in Australia. It just has not made them work. I say to the minister and the Premier that all we want is a level playing field for the independents in this State.

Dr G.I. Gallop: You represent them, do you?

Mr D.F. BARRON-SULLIVAN: We represent Western Australian motorists, and we know that it is in their interests to get competition back into the industry. The former Government introduced the most powerful legislation in the nation, and this Government has not been able to make it work. We could have the best of both worlds; we could have cheaper fuel and the cleanest fuel in the world. The differential should be brought down to a third of a cent a litre, and the independents should be allowed to compete again. People will still have MTBE-free fuel in their vehicles, there will be no need to change the fuel specifications, and the price of fuel will drop by almost 2c a litre.

Time and again in this Chamber the minister has given us excuses for what he is doing, but nobody believes him - not the country motorists, not the retailers, not the independents, not the Motor Trade Association of Western Australia, not the Liberal or National Parties it goes without saying, and now not even the Chairman of the ACCC. The minister is like a catherine-wheel that sits on a fence, is lit, fizzles around for a while, makes a bit of noise - as he does in this Chamber - burns out and sits there, utterly useless. It is time the Premier replaced this man and put someone in the job who can sort out the fuel pricing system in this State. The Premier has a weak and ineffective minister. He has been in office for about a year and a half. The fuel pricing system has been in place since April, and the ACCC has confirmed that it is not working. Country motorists are paying \$2 million extra for their fuel while the Government fritters around on the issue, and WA motorists are now paying \$32 million through the nose.

The Premier personally made commitments to the people of Western Australia. He went around the State telling people what he would deliver for them on fuel prices. The minister has not delivered. He has now backed down on the way in which he said he would reduce country fuel prices. He has come up with no other solutions. I believe the Premier has no option but to sack the minister.

MR J.P.D. EDWARDS (Greenough) [2.48 pm]: I add my support to this matter of public interest.

Dr G.I. Gallop: That was a pretty pathetic performance from your deputy leader, member for Greenough. We want a bit of content. I hope we get content from you - an argument that we can respond to. We have not heard one yet.

Mr J.P.D. EDWARDS: The Premier will get some content. The price today in Geraldton - the Premier's birthplace - is 102.6c a litre; in the Premier's electorate it is 91.9c a litre; and in the minister's electorate it is 86.9c a litre. I remind the Premier of a statement he made that was reported in *The West Australian* on Thursday, 25 January 2001. The people in Geraldton and surrounding regions are still waiting on this. The article reads -

Country motorists would be the big winners from a petrol price promise by Opposition Leader Geoff Gallop . . .

Dr Gallop and a Labor government would reintroduce price controls for retail petrol, diesel and LPG products in regional WA and stimulate competition to bring fuel costs down.

He went on to say -

. . . the Petroleum Retailer Rights and Liabilities Act should be amended to give petrol retailers the right to buy up to half their petrol from a supplier of their choice.

The increased competition would produce significant cuts in petrol prices.

He said putting a ceiling on petrol prices would reduce the margin between metropolitan and regional costs.

"There is no rational reason why there should be such a gap," Dr Gallop said. "It is a major problem and regional motorists should be getting a fair go. We want to make sure country people are protected by strong government action and we're convinced we can make a real difference.

I am sorry, but I have to throw that back in the Premier's face. The people of Geraldton and surrounding districts have seen no significant decrease in fuel prices.

Mr J.C. Kobelke: It has decreased and I will give you the figures.

Mr J.P.D. EDWARDS: I am sorry, but I must tell the Minister for Consumer and Employment Protection that that is not the way those people see it.

Mr J.C. Kobelke: I accept that is the way they may perceive it but that is the reality.

Mr J.P.D. EDWARDS: They were paying over \$1 a litre when the Labor Party came into power, and the price is still over \$1 a litre, but when they travel down to the metropolitan area, it is under \$1 a litre.

The Select Committee on Petroleum Products Pricing in Western Australia recommended the establishment of a maximum wholesale price, and the minister criticised -

Several government members interjected.

The SPEAKER: Order! The interjections reached the stage where the member for Greenough had to cease his address. It is always difficult, when a member's speech is flowing, to have to break it.

Mr J.P.D. EDWARDS: The Minister for Consumer and Employment Protection criticised the recommendations contained in the select committee's report. However, at the time, the then Leader of the Opposition said that Labor embraced the report and supported its recommendations. That is sending mixed messages. I suggest that the minister is in a state of denial. He has been minister for some 19 months. The minister can make the decision to stop the monopoly that BP enjoys now. However, he has failed to take on BP and enforce the maximum wholesale price provisions. I think the minister has even conceded that BP has a monopoly. The Opposition supports the clean fuel specifications that the former Minister for the Environment put in place. The member for Mitchell has already said that BP said it would cost 0.3c a litre to provide super clean petrol with no methyl tertiary butyl ethers. However, BP has blown this out to 2c a litre, with further increases likely. The minister stood by and allowed BP to retain its monopoly, which has forced many of those smaller independent retailers out of business; there are plenty of them. Retailers are looking for nothing more than a level playing field, whether it be with BP, Caltex, Gull, Liberty, Mobil, Shell or the small independents. The independents in my region are struggling. They need support, and a retail price cap is not the way to go. All that will do is drive them out of business.

MR M.G. HOUSE (Stirling) [2.53 pm]: Fuel is a fundamental issue for country people. It is the vehicle by which we transport our product to and from the places in which we live. On the meter of what is important to us, it rates in the top three or four. The price of fuel affects everybody who lives in the country, particularly small business, the people who work for small business and the little people who need fuel to get to hospitals and doctors and to access the fundamental services that city people take for granted. The issue for country people is the difference in the price of fuel paid by city and country people. That is the problem and the issue that members of Parliament ought to be working to try to fix.

Prior to the last election, the current Government promised that it would lower fuel costs by capping the price. As a consequence of that promise, it brought to this Parliament legislation that was based on some of the recommendations of the Select Committee on Petroleum Products Pricing in Western Australia, which was an all-party select committee that reported prior to the last election. Most members in the Parliament supported that legislation. Although we had a few reservations about it, we thought it was worth a try.

Before I continue in that vein, I will go back to 1993 when the then Government deregulated the price of fuel. It was deregulated because our view at the time was that a free flowing, free enterprise system would deliver a better price for the whole of Western Australia. In the finish that was not the case for country people. Once again, I come back to the point that this Government campaigned against the coalition on the basis that it would fix that problem. I admit that, to some extent, the coalition Government had created the problem by deregulating and not thinking about what would happen after that. I accept that responsibility. However, the legislation that the Government brought in was deficient in a number of areas, particularly in that it did not implement a terminal gate price, which was one of the major recommendations of that committee.

The terminal gate price is important because it would stop the fluctuation of prices in the city. It would stop city retailers being able to buy, deliver and sell fuel at a much cheaper price within a matter of hours of its purchase. That is not possible in the country because we cannot get that product from the terminal gate and deliver it to a small country town in the same time frame. The major companies are able to dramatically fluctuate the price of fuel in the city by 7c to 9c a litre. In the past two days there has been a fluctuation of 9c a litre at the Shell service station in Hay Street where I buy my fuel. That does not occur in the country. In my home town of Gnowangerup, last Friday I filled up with fuel for just over \$1 a litre. At the same time, it was 79c a litre in the city. There are two ways to stop that fluctuation. One is to implement a terminal gate price and to ensure that we put the whole State on a level playing field. In other words, the city retailers will not be able to cause the price to fluctuate as they do now to the detriment of country people. If the large fuel companies offer a rebate to people in the city, we must ensure they are forced to offer that same rebate to those in the country. That will sting with a few people, and the big fuel companies will not like it. I can bet they will be on the phone as soon as this debate is finished to threaten all sorts of things. I know that because that is what they threatened us with when we were in government, including closing down the outlets at Kwinana.

We can no longer allow this price differentiation between city and country to occur. It is fixable if we set a terminal gate price and force the larger companies to allow the same discount across all of their outlets and stop the fluctuation of the price. All they are doing in Perth is playing a game with people from one end of the city to the other, which is not to the advantage of either city or country people. Unless we stop them doing that, we will continue to have this problem for years to come. The fundamental issue is that fuel is one of the key products used in the country; it sets the price of a lot of other products. It is beholden on members of Parliament to attempt to tackle this issue in a better way than we have. It would be fair if the minister responded to this debate by admitting he did not go far enough in the original legislation. It would be fair if we supported the introduction of new legislation to set a terminal gate price, and in addition made it beholden on companies to offer the same discount across all their outlets in Western Australia on any one day. In that way a different price could not be offered in the city from that offered anywhere in the country.

The Select Committee on Petroleum Products Pricing in Western Australia clearly indicated that the freight component of fuel was about 1c a litre. It is a little more in some places and a little less in others, but it is negligible. There are other issues in country areas that affect the price of fuel; for example, the service that is offered. In some cases people charge their fuel to a monthly account and they are prepared to pay a little more for it. Regulating the price of fuel at country outlets is not only unfair to individual retailers but also would be an impost on country people. I have some serious concerns about capping the price in rural Western Australia, because I think it will diminish the service, it will certainly reduce the number of outlets, and it will not create the competition or equality we need across the State. I am concerned about equality across the State.

Just to recap: we support a terminal gate price and we support legislation that forces fuel companies to offer the same discount on any one day at any of their outlets across the State.

DR G.I. GALLOP (Victoria Park - Premier) [3.00 pm]: I support my Minister for Consumer and Employment Protection. First, he has initiated action where there was inaction by the previous State Government; secondly, he has sorted out some of the problems that were in the system when we came to government; thirdly, he has taken some important new initiatives which are assisting consumers throughout Western Australia; and, fourthly, he is constantly monitoring the situation with a view to improving it.

I commence by going back to February 2001 when we came to government. During the build-up to the election we heard a lot of rhetoric from the other side about the select committee report. Upon taking over the machinery of government we found that absolutely no progress had been made within the department to deal with this issue, none of the important administrative and bureaucratic work that should have been undertaken to introduce changes for the 50-50 legislation had been done nor had anything been done about some of the issues that were raised in the select committee report; for example, the maximum wholesale price of fuel. The Minister for Consumer and Employment Protection inherited this total inaction. The minister is now actively working on behalf of the people of Western Australia.

Mr W.J. McNee: Tell us why the price is so high.

The SPEAKER: Member for Moore!

Dr G.I. GALLOP: I will move to the second issue. A major problem with FuelWatch was exposed following the failure of the previous Government to get this system in order. The loophole was that in the initial 24-hour rule legislation -

Mr W.J. McNee interjected.

The SPEAKER: Thank you, member for Moore.

Dr G.I. GALLOP: The initial 24-hour rule legislation introduced by the previous Government contained a loophole that allowed retailers to either nominate a price for the following day and not move to it or to go backwards and forwards between the two prices. This major loophole in the system had been exposed; it was a weakness in the legislation of the previous Government, and a small number of retailers were taking advantage of it. That loophole was closed in 2001 following an initiative of the current minister. Compliance with the 24-hour rule has been extremely high since. There is no doubt that the minister has covered that issue very well.

I now move to the initiatives that this Government has undertaken since it came to power. This is a very difficult issue. Fuel pricing is a complex equation. Ultimate responsibility for the competitiveness of our economy lies with the Australian Competition and Consumer Commission and that body has not been very successful in this area. Obviously the State Government had to work in an area in which it did not have traditional responsibility and administrative support. We acknowledge that it has been very difficult, but we have done what we said we would do: we have introduced the 50-50 legislation, which the previous Government would not do; we have introduced a maximum wholesale price arrangement; and we have introduced the price boards.

There is no doubt that the 50-50 legislation was never going to lead to a dramatic change in the marketplace. We acknowledged that when we introduced the legislation. Nevertheless, we have introduced it and it is available. The previous Government lacked the will or the capacity to do that. The maximum wholesale price has been a very difficult issue for this Government. The assumption could be made that the maximum wholesale price could be determined on a fairly easy, scientific and objective basis, but as it turns out this issue is always heavily contested. Because there is no overall agreement about what the maximum wholesale price should be, there has been a lot of contention. Nevertheless, some retailers have taken advantage of that legislation and, as members know, court action is proceeding with BP and some of the other majors concerning the retail price legislation. The notion that the Government has been inactive is totally false.

I turn now to this Government's other initiative of price boards. Mandatory price boards were introduced into Albany as a trial in August 2001, despite strong opposition from retailers. Albany was chosen because no retailers in Albany were using price boards. Three months after implementation, the Albany-Perth differential had reduced by 2c a litre. The mandatory price boards were introduced into all regional areas by FuelWatch in December 2001. Three months after the price boards were introduced, in 23 out of the 24 towns, the differential had reduced by up to 3.85c a litre. The minister will go through that in more detail.

Mr W.J. McNee: Do you know how much extra the cost of petrol is in Harvey? It is 10c or 12c a litre.

Dr G.I. GALLOP: I will refer the member to the difference between the prices in his electorate and city prices in 1993, when his Government came to power, through to 2002 -

Mr W.J. McNee: You said you would reduce the price.

Dr G.I. GALLOP: Unless the member is not interested in the facts -

Mr W.J. McNee: I am interested in the facts, all right: 112c a litre is the highest they have ever paid.

Dr G.I. GALLOP: The member should wait until he hears the figures from the minister.

[Quorum formed.]

Dr G.I. GALLOP: The introduction of price boards was an initiative of this Government. The minister will present the facts about the impact that initiative has had on prices.

To summarise, we are now seeing action from a minister where previously there was inaction. That is most aptly represented by the minister's response to the select committee report as opposed to the response by the previous Government. Then we have the initiatives we have taken since we have been in government. The maximum wholesale price issue has proved to be much more complex and difficult than we anticipated and we are still -

Mr W.J. McNee: You said you would reduce the price.

Dr G.I. GALLOP: I know life is very simple for the member for Moore.

Mr W.J. McNee: I know. I am paying the bills.

The ACTING SPEAKER (Mr A.J. Dean): I call the member for Moore to order for the first time.

Dr G.I. GALLOP: We know that life for the member for Moore is very simple, but this matter is a little more complicated. The Government of Western Australia is sticking by the fuel specifications that were agreed to by the previous Government. Of course, they are very good for the health of the West Australian people and for the environment. It is interesting that the political party that introduced those specifications is now turning against them. I

will quote from a press release of the Deputy Leader of the Liberal Party, which he made earlier this year and in which he said -

These fuel specifications were introduced by the previous government on the understanding that they may need to be amended in the event they caused financial hardship.

There is absolutely no evidence for that claim. What is his evidence?

Mr D.F. Barron-Sullivan: I thought you had been in government for the past 18 months.

Dr G.I. GALLOP: He said that his party introduced fuel specifications on the understanding that they would be amended.

Mr D.F. Barron-Sullivan: Are you condoning a 2c premium on the cost of that fuel?

Dr G.I. GALLOP: I am supporting fuel specifications that improve the health and welfare of the people of Western Australia and protect the water supplies of Western Australia.

Mr D.F. Barron-Sullivan: You have done a deal with BP. That is why it is getting 2c instead of the one-third of a cent that it got under us.

Dr G.I. GALLOP: The Deputy Leader of the Liberal Party -

Mr D.F. Barron-Sullivan: You are not denying it; you have done a deal with BP.

Dr G.I. GALLOP: What deal with BP?

Mr D.F. Barron-Sullivan: Deny that you have done any deal or made any arrangement with BP.

Dr G.I. GALLOP: I am saying that on behalf of the people of Western Australia, I am supporting the fuel specifications -

Mr D.F. Barron-Sullivan: You are not denying it. You have done a deal!

Dr G.I. GALLOP: Of course I have not done a deal. That is an absolutely ridiculous claim.

Mr D.F. Barron-Sullivan: Why is BP charging a premium of 2c a litre?

The ACTING SPEAKER (Mr A.J. Dean): Order!

Dr G.I. GALLOP: Where is the member for Kingsley? Where is the former Minister for the Environment?

The point I was making is that the member for Mitchell is quite often happy to say things, but he usually has no evidence for them. The claim that he has made is that the previous Government had an understanding with BP that it would amend the fuel specifications if necessary. We have looked. There is no correspondence and nothing in the records. What is more, I direct the member to the press release issued by the former Premier on 1 August 1999, I think made at the time of the Liberal Party conference in Western Australia. It makes no reference to any caveats nor states that the fuel specifications might be changed. There is a reference, of course, to the cleaner environment and the health improvements that would result. Interestingly, there is also a reference to the fact that the Royal Automobile Club and the Motor Traders Association had been involved in the preparation of those fuel specifications. That is what the former Premier said. I would be very interested to hear from the Deputy Leader of the Liberal Party evidence for his claim that there was a caveat on that commitment that led to the upgrading of standards in Western Australia at the refinery in Kwinana.

Mr D.F. Barron-Sullivan: The premium was one-third of a cent per litre and it is now 2c per litre.

Dr G.I. GALLOP: The member can run away, as he always does, from an accountability requirement. The accountability requirement is this: where is the evidence that the previous Government had a caveat?

Mr D.F. Barron-Sullivan: Here is my evidence that the premium was one-third of a cent per litre.

Dr G.I. GALLOP: He will not answer the question. That is typical of his approach.

Mr D.F. Barron-Sullivan: Here it is. I will lay it on the Table of the House if you ask me to. Your minister should already have it on file.

Dr G.I. GALLOP: We went to the public with proposals for retail price capping in our regional centres. The select committee made that recommendation. We found very strong opposition to that proposal when we went to the regional centres. There were not very many supporters of that proposal in regional Western Australia. Obviously, we will have to reassess our position on that issue.

Mr D.F. Barron-Sullivan: A backdown?

Dr G.I. GALLOP: It is not a backdown at all. We said that we would go to the marketplace on that issue. We have done that and we have got feedback from the community which we are currently assessing.

I find it extraordinary that the Deputy Leader of the Liberal Party is willing to say anything. He has no policy framework for dealing with a very difficult issue. The minister has taken action when there had been inaction. The minister has sorted out problems that existed in the FuelWatch scheme that he inherited. He has taken new initiatives with the 50-50 legislation, the price boards and the maximum wholesale price arrangements. The minister also is looking at the situation with a view to making further improvements in how it operates.

As opposed to the empty rhetoric that we get from the Deputy Leader of the Liberal Party, the minister is taking action on behalf of the people of Western Australia. It is a difficult area. Unfortunately, we do not get the level of support that we think we should get from the Australian Competition and Consumer Commission. We think the ACCC should be much more active in this market. We are happy to support changes to the trade practices legislation. I refer members to a very good press release put out by the minister in July last year which called upon the federal Government to give more power to the ACCC to prevent abuses of market power by major companies.

Mr C.J. Barnett: You were going to fix it. That was your election promise. What a useless Premier.

Dr G.I. GALLOP: The Leader of the Opposition can carry on with that old rhetoric as long as he likes. No-one is listening to him because it is rhetoric.

Mr C.J. Barnett: Where is the promise?

Dr G.I. GALLOP: Does the Leader of the Opposition know what people want? They want real solutions. They do not want rhetoric. I have outlined all the measures that we have introduced.

I reaffirm my support for the minister and say to all members of this Parliament and all members of the public that when the Deputy Leader of the Liberal Party says something, they should be very, very careful and subject it to close examination, because when it is subjected to the accountability test, one usually finds that it is either untrue or not based on any evidence whatsoever. A good example of that is the motion put forward to the Parliament today.

MR R.N. SWEETMAN (Ningaloo) [3.17 pm]: I have only a short time in which to make a contribution to this debate. It is interesting that I should follow the Premier, because in the lead-up to the last election the Premier vowed to reintroduce price control to reduce the price of fuel for everybody, particularly for those in regional Western Australia. During the same election campaign, fliers went out telling people to kill the gap and vote Labor. They said that Carnarvon deserved better and that we should decrease the difference between metropolitan and country prices. Obviously, the internal polling of the Labor Party showed that it was making inroads into the buffer that I had as a local member, because they sent out another one saying exactly the same thing.

Mr W.J. McNee: What does it say? Does it say that it will drop the price?

Mr R.N. SWEETMAN: It said that the Labor Party would bridge the gap of 23c. The prices given in those pamphlets were not accurate. If averages are applied to the difference in prices between Carnarvon and Perth, they used to be 16c or 17c. No thanks to the minister, but thanks to Shell - one of the multinationals - heavy discounting and price support has occurred in Carnarvon, and one of its outlets has reduced the price in Carnarvon by about two or three cents; so it is down to Shell, not down to the minister at all.

The price of fuel in Geraldton is \$1.26 a litre. Most of the fuel that is sold at Carnarvon retail outlets comes from Geraldton. People are paying \$1.26 a litre in Geraldton and today in Carnarvon the price at the bowser is \$1.09. However, at Exmouth it is \$1.15, some 29c above the lowest price available today in the metropolitan area. The minister does not need to explain to me, but perhaps he might explain to my constituents how he is closing the gap. It is absolutely scandalous that he pontificated in the lead-up to the last election, got elected and has now found how difficult it is to be in government. For some of the then opposition members, even those at the top, to have made some of the commitments they made, they must have believed that they would not win the last election. Even as late as today, I understand that meetings have been held between petroleum companies and the Department of Consumer and Employment Protection. I understand that some of the information disseminated at that meeting concluded that the Department of Consumer and Employment Protection needed some direction from the Government. It seems to be a little lost as to how it can achieve the objectives and outcomes that the Government has suggested to the community are achievable. I understand that the meeting was concluded today and that the department asked for advice on how it may play its part in reducing fuel prices in the metropolitan and regional areas.

Mr D.F. Barron-Sullivan: Are you saying that the department is asking the oil companies what to do about this problem because it does not know what to do?

Mr R.N. SWEETMAN: Yes. We know that it does not know what to do. However, this is the clearest evidence yet that the agency that is supposed to be underpinning what the Government has said it is trying to achieve does not have the slightest idea about how to do that. I do not have much more time, because my colleague the Leader of the National Party wants to make a few points. It is interesting that an article that appeared in *The West Australian* in the lead-up to the last election is headed "Gallop vows to reintroduce price controls", and that on election night Hon Geoff Gallop said that the Labor Party had emerged victorious through the politics of principle, eschewing cynicism and fighting for the people of Western Australia. Perhaps with the benefit of hindsight the Premier would concede that he should have said

inducing cynicism and misleading the people of Western Australia. That would have been a more accurate statement at that time, considering the information that the Premier has allowed to be disseminated in my electorate and electorates like mine.

MR M.W. TRENORDEN (Avon - Leader of the National Party) [3.21 pm]: It is amazing to see how the Government is running this House and to see that during this matter of public interest only five Labor Party members are in the Chamber. In the days of Brian Burke, all of the seats on the government side of the Chamber would have been filled during debate on an MPI. It is the responsibility of the Government to respond to MPIs; and to treat this MPI with contempt is very ordinary.

The Premier said that he has sorted this out.

Dr G.I. Gallop: Who said that?

Mr M.W. TRENORDEN: The Premier said five minutes ago that he has sorted this out.

Dr G.I. Gallop: I did not say that.

Mr M.W. TRENORDEN: The Premier did say that. The only thing the Premier can point to is FuelWatch. As usual, FuelWatch is a totally city-centric answer to dealing with increases in the price of fuel. It takes no notice of country areas at all. This whole debate going right back to two years ago has been about the differential between country and city fuel prices.

Mr J.C. Kobelke: What are you talking about? FuelWatch is in regional WA.

Mr P.B. Watson: What about Albany?

Mr M.W. TRENORDEN: That is a good point. Albany is still suffering a differential, and Bunbury and Geraldton are also still suffering a differential. No matter how hard members on my left want to shout, those are the facts. The Premier said on 25 January 2001 that "There is no rational reason why there should be such a gap." The Premier gave no rational reason today for why there should be such a gap. The gap is still there and is still approximately the same as it was when the Premier came into office two years ago and made these promises. This Government has done absolutely nothing for the people of rural and regional Western Australia. The member for Stirling put the problem clearly. Nearly every service that is provided in regional and rural Western Australia is governed by fuel. The fact that the Premier and the Minister for Consumer and Employment Protection do not care about that is a serious problem for rural and regional Western Australia. We need look only at the Government's record. Where does it stand on the 50-50 legislation? How many litres of fuel have gone into Western Australia under the 50-50 arrangement?

Mr J.C. Kobelke: I will answer when I get up.

Mr M.W. TRENORDEN: Exactly. It has been not a little failure but an abject, total failure. How many litres of fuel did Allan Fels say have gone through the terminal gate? Nil. After 18 months of operation of the 50-50 legislation, the result has been nil.

[The member's time expired.]

MR J.C. KOBELKE (Nollamara - Minister for Consumer and Employment Protection) [3.24 pm]: I am a little disappointed with this motion and with my friends on the other side of the Chamber. I thought they would at least do me justice by mounting an argument against me. However, we have had no argument. All we have had is a range of utterances that are either without foundation or not true.

Mr M.G. House interjected.

Mr J.C. KOBELKE: I accept that the member for Stirling did address the issues of substance rather than just throw abuse -

Mr M.G. House: And I gave you two alternatives.

Mr J.C. KOBELKE: Yes. He also made suggestions that I will take up. I do not think they are workable, but they are concrete suggestions. However, the general argument by members opposite had no substance and simply was not true. I will start with the motion. The motion is critical of me as the Minister for Consumer and Employment Protection for failing to take effective action to honour Labor's election promise to reduce fuel prices. Our election promise was to do a range of things to keep fuel prices down. We were not so bold and stupid as to promise to reduce fuel prices. We know that we pay international prices for fuel.

Mr D.F. Barron-Sullivan: You said you would bring down fuel costs.

Mr J.C. KOBELKE: The Deputy Leader of the Opposition is again quoting things out of context. For the Deputy Leader of the Opposition to put those words in the motion just shows that he is totally without substance and integrity. The wording of the motion shows just how totally incompetent members opposite are. We were not so stupid as to say that we could unilaterally, irrespective of world oil prices, lower the price of fuel in Western Australia. We never said that. We said we would take a range of steps to get a better deal for motorists and reduce prices. We have delivered on

that promise and will continue to deliver on it. I have one word of advice for the Leader of the National Party. He should take the time to get out of Perth and go bush. The Leader of the National Party made the absolutely ludicrous statement that the regional centres do not have FuelWatch. Does the member for Geraldton have FuelWatch in Geraldton?

Mr S.R. Hill: We certainly do.

Mr J.C. KOBELKE: Does the member for Albany have FuelWatch in Albany?

Mr P.B. Watson: We certainly do.

Mr J.C. KOBELKE: Does the member for Kimberley have FuelWatch in the Kimberley?

Mrs C.A. Martin: We certainly do.

Mr J.C. KOBELKE: The Leader of the National Party has never stayed in the bush overnight, so he does not realise that FuelWatch is broadcast on television in regional Western Australia. The Leader of the National Party should go and visit his supposed constituency so that he can get his facts right.

Mr W.J. McNee: Come on! Tell us why the price of fuel has gone up!

The ACTING SPEAKER (Mr A.J. Dean): Order! I call the member for Moore to order for the second time.

Mr J.C. KOBELKE: The situation is that fuel prices move around a lot. The marketing of fuel is quite complex. People see a sign one day and the price is over the top and it sticks in their minds that the price is far too expensive, and they are right. However, they drive past the same service station during the next three weeks when the price is lower and it does not register with them. People's perception of petrol prices does not necessarily match the reality. FuelWatch gives us detailed figures of what happens with fuel prices. I will give one example. One of the achievements of the Gallop Government was to make price boards mandatory in regional Western Australia. We took this measure with the best of intentions, and if it does not work, we will reconsider and modify it if need be. In order to see whether this measure was effective, we recorded fuel prices at the service stations in those regional centres for three months before the introduction of mandatory price boards and for three months after their introduction. Therefore, we have comprehensive and detailed figures on what happened in regional centres to the retail price of fuel both before and after the introduction of mandatory price boards. Those figures indicate that the differential between Perth and Albany fell by an average of 2c a litre, between Perth and Bunbury by 3.3c a litre, between Perth and Capel by 3.85c a litre, and between Perth and Carnarvon by 3.5c a litre.

Mr R.N. Sweetman: You are using rubbery figures!

Mr J.C. KOBELKE: That is the difference between the Government and members opposite. Members opposite use rubbery figures or simply do not know what they are talking about. We know that most of the time when the Deputy Leader of the Opposition speaks he does not know what he is talking about. It is either that or I would have to accuse the Deputy Leader of the Opposition of saying something quite untruthful, because he always gets it wrong. Every day for three months before and three months after commencement of the price boards we monitored fuel outlets in Carnarvon and found that the price differential between Carnarvon and Perth on average fell by 3.5c a litre.

Several members interjected.

The ACTING SPEAKER (Mr A.J. Dean): Member for Avon! There is too much private conversation going on across the back of the Chamber. The minister has indicated that he will not take interjections.

Mr J.C. KOBELKE: I will take an interjection but I cannot take 10 at once. The price of fuel in Dardanup fell by 1.94c a litre on average; in Greenough by 1.62c a litre; in Harvey by 2.51c a litre; in Kalgoorlie by 3.6c a litre; and so it went on and on.

We have irrefutable evidence that just one part of the regulatory program and positive action taken by the Gallop Government has delivered for regional motorists. However, all we get from members opposite is noise. A testosterone-driven nonsense comes from members opposite who appear to believe that making a lot of noise by shouting and yelling is a substitute for rational debate.

The Deputy Leader of the Opposition said earlier that the Government did not have the guts to take on BP and that we had done a deal with it. That indicates the mode of operation of the Deputy Leader of the Opposition. He has no track record in this area from when the coalition was in government and he has made these wild, nasty assertions - some people might believe them - but that is all they are. Let us look at some of the facts relating to the matter. What happened when we urged the last Liberal Government, of which the Deputy Leader of the Opposition was a member, late in its term to bring in a 50-50 system? BP said, "You do that and we will close our refinery." The Liberal Government said, "How high do you want us to jump? We won't do it." That was the previous Government's track record - it did not do it. When BP huffed and puffed, members opposite, who now claim to be the champion of motorists, said, "What do you want, BP? We will do what you like." What has this Government done? When we said that we would introduce the 50-50 regulation, BP said to the Premier, "We will close Kwinana." The Labor Premier

called BP's bluff. He said that the Gallop Government would take up the fight for motorists, and BP apologised and backed down. This Government was not like those running dogs and wimps opposite who said, when BP put on the pressure, "Yes sir, no sir, three bags full, sir." That is what we have in the Liberal and National Parties. They simply will not stand up to multinational oil companies, as this Government has done, to try to get a decent deal for motorists.

I will refer to another total misrepresentation by the Deputy Leader of the Opposition.

Mr D.F. Barron-Sullivan: Have you made any arrangements with BP on the margin on clean fuels?

Mr J.C. KOBELKE: No. Does the Deputy Leader of the Opposition understand? No.

Mr D.F. Barron-Sullivan: Why is it 2c?

Mr J.C. KOBELKE: The Deputy Leader of the Opposition has made this scurrilous innuendo suggesting a deal has been done. The answer is no, but he will not accept it. He will not accept a direct, honest answer because the Deputy Leader of the Opposition is a man without integrity. He does not speak the truth and he cannot accept it when other people give him honest, straight and direct answers because that is not the way in which he works. He is a man of slur, innuendo, half and total untruths and he cannot handle facts. That is the problem we have with the Deputy Leader of the Opposition. I will refer to one of his examples. The last Liberal Government did a deal with BP for cleaner fuels. As the Premier pointed out, there were no caveats; it was a straight deal to phase in a cleaner specification for fuels over time. There was a premium price -

Mr D.F. Barron-Sullivan: What was the premium?

Mr J.C. KOBELKE: I made it clear to the Deputy Leader of the Opposition that because of his position, I will take his interjections from time to time. However, he really speaks nonsense.

Mr D.F. Barron-Sullivan: I am asking you a question.

Mr J.C. KOBELKE: I am about to explain his absolute nonsense, if he would listen for a minute. I have the facts with me and I will point out the absolutely misleading, errant nonsense that he has been speaking. He suggested that the premium for cleaner fuels was a third of a cent. He was close; it was 0.35c a litre. However, he did not mention that that was for the 2000 specifications. The last Government had locked in a change of specs at the start of 2001, so there was an increase again under its plan and the premium price went up also. The Deputy Leader of the Opposition therefore does not even know what he is talking about. He gives half of the truth, leads us down the garden path and has us thinking something that is totally wrong. That is how he works. He does not want to tell us that the Liberals did a deal with BP. The Government accepts that there are real benefits from that deal but the Liberals did the deal and did not put any caveats or conditions on the deal to get extra benefits for motorists. They simply did a deal for cleaner fuels. The initial premium was 0.35c a litre in 2000 but it was then stepped up with higher standards and no arrangement was put in place to ensure the premium would not increase; the premium has increased from there. The only party that has done deals with BP is the Liberal Party. We are trying to make sure that, within the constraints of the deals done by the Liberals, we can get the best possible deal for Western Australian motorists.

We have now heard the Liberals say that they will lower those specifications to the national standard. That means that we could have methyl tertiary butyl ether in fuel. The current specifications do not permit more than 0.1 per cent MTBE. MTBE is a fuel additive that is put into up to 15 per cent of fuel for a cleaner burn and less air pollution. Some major cities in Europe require MTBE to be added to fuel. The problem we have is that MTBE is a serious contaminant of ground water, not because of its poisonous nature but because it is detectable at very low levels; therefore, there may be a turpentine smell to water although there is only 40 parts per billion. There is therefore a risk to the taste of water if MTBE is allowed in fuel. The specification to protect our ground water was 0.1 per cent. The Deputy Leader of the Opposition is now saying we should get rid of that because we do not need it any more. That is what he said in his press release on Monday this week.

Mr D.F. Barron-Sullivan interjected.

Mr J.C. KOBELKE: Is the Deputy Leader of the Opposition not saying that now? He has backflipped already in two days. His press release on Monday this week stated that he said the Government should change the regulations at the stroke of a pen, bringing them in line with national fuel standards. He is now saying that he really does not mean that. Is he standing by that press release?

Mr D.F. Barron-Sullivan: Will you listen to what I am saying about fuel specifications?

Mr J.C. KOBELKE: Is the Deputy Leader of the Opposition standing by his statement on Monday?

Mr D.F. Barron-Sullivan: Will you listen to me?

Mr J.C. KOBELKE: Is the Deputy Leader of the Opposition standing by his statement on Monday?

Mr D.F. Barron-Sullivan: Are you aware that BP did not put MTBEs in its fuel anyway?

Mr J.C. KOBELKE: On Monday the Deputy Leader of the Opposition issued a statement saying that we should drop the specifications to the national standard and now he is saying it has nothing to do with it.

Mr D.F. Barron-Sullivan: It has nothing to do with MTBEs.

Mr J.C. KOBELKE: He commits himself on paper, faxing out a statement on Monday of this week. By Thursday he no longer believes in it anymore. How can we deal with an Opposition with a total lack of integrity?

Mr A.D. McRae: He could not even get to Friday.

Mr J.C. KOBELKE: He could not even get to the end of the week, and now he has backflipped. He does not believe that we should go to the Australian standard. A week is a long time in politics. Did the Deputy Leader of the Opposition change his mind on Monday or Tuesday?

Mr D.F. Barron-Sullivan: Why don't you answer the question about the premium?

Mr J.C. KOBELKE: I have answered the member's questions. The trouble with the Deputy Leader of the Liberal Party is that when we catch him out for total irrelevance or for making wrong statements, he simply tries to duck the issue.

Mr D.F. Barron-Sullivan: You are trying to avoid the main question.

Mr J.C. KOBELKE: I repeat: I am most disappointed that there was no argument in the debate to support the motion. There was debate on petrol prices, which is an important issue, but the motion before the House has not received any substantial debate to support it. On that basis we will clearly defeat the motion.

Question put and a division taken with the following result -

Ayes (19)

| | | | |
|-------------------|-------------------|-------------------------|------------------------------------|
| Mr C.J. Barnett | Mr J.P.D. Edwards | Mr B.K. Masters | Mr M.W. Trenorden |
| Mr M.F. Board | Mr B.J. Grylls | Mr P.D. Omodei | Ms S.E. Walker |
| Dr E. Constable | Mr M.G. House | Mr P.G. Pandal | Dr J.M. Woollard |
| Mr J.H.D. Day | Mr R.F. Johnson | Mr D.F. Barron-Sullivan | Mr J.L. Bradshaw (<i>Teller</i>) |
| Mrs C.L. Edwardes | Mr W.J. McNee | Mr R.N. Sweetman | |

Noes (26)

| | | | |
|------------------|--------------------|---------------------|---------------------------------|
| Mr P.W. Andrews | Mr J.C. Kobelke | Mr A.D. McRae | Mrs M.H. Roberts |
| Mr J.J.M. Bowler | Mr R.C. Kucera | Mr N.R. Marlborough | Mr D.A. Templeman |
| Mr C.M. Brown | Mr F.M. Logan | Mrs C.A. Martin | Mr P.B. Watson |
| Dr J.M. Edwards | Ms A.J. MacTiernan | Mr M.P. Murray | Mr M.P. Whitely |
| Dr G.I. Gallop | Mr J.A. McGinty | Mr A.P. O'Gorman | Ms M.M. Quirk (<i>Teller</i>) |
| Mr S.R. Hill | Mr M. McGowan | Mr J.R. Quigley | |
| Mr J.N. Hyde | Ms S.M. McHale | Mr E.S. Ripper | |

Pairs

| | |
|---------------------|-------------------|
| Mr R.A. Ainsworth | Mr A.J. Carpenter |
| Mr T.K. Waldron | Mrs D.J. Guise |
| Ms K. Hodson-Thomas | Ms J.A. Radisich |
| Mr M.J. Birney | Mr J.B. D'Orazio |

Question thus negatived.

FAMILY COURT AMENDMENT BILL 2001

Returned

Bill returned from the Council with amendments.

Leave to Consider

MR J.C. KOBELKE (Nollamara - Leader of the House) [3.45 pm]: I seek leave to consider this message now. If leave is granted, I will postpone consideration of the message until a later stage of this day's sitting.

Leave granted; consideration postponed until a later stage of the sitting.

[Continued on page 979.]

RAILWAY (JANDAKOT TO PERTH) BILL 2002

Second Reading

Resumed from an earlier stage of the sitting.

MR P.W. ANDREWS (Southern River) [3.46 pm]: I will continue my remarks from earlier today. I was explaining to the House how this project will affect each of the different residential areas in my electorate. I was speaking about the

residents of Glen Iris, who have made it very clear to me that they do not want additional passenger trains on the freight line. I will place on the record a couple of their other concerns. When this project is under way, they hope that there will be sufficient noise abatement along the freeway - perhaps walls or whatever form it will take - to reduce the sound of the trains and so on. In addition, residents in that estate have raised with me the visual effect this line will have, but that tends to be a local government issue. I put on notice that I will ask the Minister for Planning and Infrastructure to ensure that those constituents are looked after.

The same principle applies to my constituents in the remainder of Jandakot. The Canning Vale and Southern River region is one of the fastest growing regions in the metropolitan area. One of my concerns with the previous project was that the Canning Vale station would be located on South Street. I praise my predecessor, who lobbied the previous Government to prevent shunting yards from moving into that area. She led a very aggressive campaign against that concept and had the support of the residents of Canning Vale. The problem with the Canning Vale station was always going to be about traffic. There is a huge volume of traffic on South Street and Ranford Road, with the traffic coming from Armadale and Canning Vale. I have travelled that route for the best part of 16 or 17 years. I remember when Ranford Road was a single-lane road through bush. It was very narrow and very few cars travelled on the road. Now it is very heavily congested with traffic at all hours of the day, but obviously during peak periods.

Another factor is the other major roads in the area, including Warton Road and Nicholson Road. Obviously traffic is one of the major considerations in the area. If a station were located on South Street, what thought would go through people's minds? Initially they would think that a lot of the traffic would be taken off the road because people could walk to Canning Vale station. The problem is that the station would always be a white elephant because it is located well and truly away from the residential area. It is one and a half kilometres to Waratah Boulevard, which is the closest entrance to that station for the residents in the Waratah and Livingstone estates. What will happen? People will not walk to the station. I have walked that distance, and it is too far for me to walk in the morning. It is too far to walk if I want to catch a train at that station.

Mr B.K. Masters: I understand your argument, but the fallacy is that the end point of all these rail lines is Perth, where the population is so small that clearly people are going there for employment reasons. I thought that would be the issue at Canning Vale.

Mr P.W. ANDREWS: I totally accept that, and I will address that in a minute, because that is one of the major issues that I want to pursue today.

I will continue. It is one and a half kilometres to Waratah Boulevard. People might think that the station must service Canning Vale because it is called the Canning Vale station. It is two and a half kilometres to the intersection of Ranford and Nicholson Roads, which represents the centre of Canning Vale. What would have happened? People would have had to be either driven there or to have taken a bus. The same thing would have applied to Nicholson Road. It would not have acted as a station that takes up the population, because the population is not there at the moment. If those two stations were in existence, people would have to access them by some other form of transport. Since Labor has been in government, the bus services that operate through that area - I will deal with the point about the line in a minute - have been very effective.

[Quorum formed.]

Mr P.W. ANDREWS: I am happy to start all over again but I will not; I will try to continue. I was putting the case that the buses in my electorate that service Ranford, Sanctuary Waters and The Avenues, which constitute Canning Vale, are excellent at the moment. A peak-hour bus service every five minutes means that people can travel with ease. Similarly, the half-hour service on Saturday is a very effective means of transportation for my constituents, particularly teenagers.

Where do we go from there? What is in this project for my constituents in Canning Vale and Southern River? The reality is that if people board a bus to travel down South Street to Canning Vale station, they can continue down South Street and get into the city, if that is their destination. It is much quicker. That is the sort of sustainable program that has been introduced in many places in the world over and again, and it will continue for the next 20 or 30 years. My constituents will use this service. If people are told that they must board a train, go through Kenwick and then go through the city, that is very limiting.

The member for Vasse raised a point a moment ago that I will address now. In the Nicholson Road area, there is virtually no residential area. It encroaches on the Nicholson Road area, but it is still a fair way from it. To the north and west is the Canning Vale industrial estate. Therefore, there is an opportunity for the development of infrastructure of different types - residential area, business area that might be associated with a town site, and, of course, the Canning Vale industrial park. The other factor that enters into it is that the Tom Bateman reserve will have the baseball stadium. One sees on the map that this provides an ideal opportunity for this area to act as a major transport hub - not tied up with a freight line that will cut it in half. It allows the opportunity for an integrated approach to public transport.

The committee, which will be chaired by the member for Riverton, will examine these points and make sure that the new technology that is available will not only service those people who want to head in a northerly and easterly direction through Kenwick, through the new Thornlie station and linking up through East Perth, but also provide the

opportunity for the east-west links to be expanded, which will certainly take Canning Vale into account and provide opportunities for employment for my constituents. This project allows far more flexibility than was the situation under the previous Government's proposal. I know that some people oppose it. However, the vast majority of my constituents support it. These people should now be able to see the projects that will be put in place by this Government so that they can make sure there will be a continuation of good public transport.

I support the project because it will take us well into the twenty-first century. The old scheme had its critics, certainly in Jandakot. I have been doorknocking in Waratah and Livingstone, and I know that I have the support of the constituents in those areas. I am aware that my opponents, particularly those in the federal sphere, will, in the lead-up to the next election, run on this issue. That is the right thing for them to do. That is fine. Members in this place know as well as I do that I am staking my seat on this. I will stand up and support this project.

The other day the Leader of the Opposition said that he hoped the Labor backbenchers had the courage to stand up and represent their electorates. It does not take any courage to support a project that will be to the benefit of one's constituents, and it certainly does not take any courage to oppose something that will have a negative impact on one's constituents. This project will not have a negative impact. I now point the finger at the Minister for Planning and Infrastructure and commend her on her courage. She could have easily gone along with the lame plan of the previous Government. There probably would have been criticism from the Opposition, but there would not have been this hullabaloo. However, the minister looked at the plan and said, "No, that's lame. That's not the right way to do it. The best way is to make the service direct and frequent, and straight down the freeway." She had the courage to do that. A lesser person would have looked at the plan and said, "Let's just leave it as it is."

I will make sure that my constituents are well represented while this project is proceeding. I look forward to working with the Cities of Canning and Gosnells to make sure that that area of Nicholson Road that I mentioned previously has a fully integrated program with east-west links. I certainly support this project, and I also support the Minister for Planning and Infrastructure.

MR B.K. MASTERS (Vasse) [3.58 pm]: In rising to oppose this legislation, I advise that there are a number of reasons for my opposition. First of all, I must say once again that it is outrageous that this debate is continuing while the shadow minister for transport, the member for Carine, is overseas representing this Parliament at a function organised by the Commonwealth Parliamentary Association. It is outrageous because my understanding is that, of all the people on this side of the House, she has done the most work in an effort to understand the detail and the implications of the southern rail line. The fact that the Government should choose this week to have the major debate on this topic is an affront not only to the way in which the Westminster system of government operates but also, more importantly, to the member for Carine, and I am extremely disappointed about that. I understand that the Government has magnanimously said that it will agree to suspend standing orders next week, and we will have the final comments of the shadow Minister for Planning and Infrastructure and the minister next week. Is that correct?

Mr J.C. Kobelke: The undertaking is that we will not conclude the second reading, so that the member for Carine can be here and the minister can respond to her.

Mr B.K. MASTERS: How long will she be entitled to speak?

Mr J.C. Kobelke: For the full time.

Mr B.K. MASTERS: For 20 minutes plus another 10 minutes?

Mr J.C. Kobelke: No, for an hour.

Mr B.K. MASTERS: Is that consistent with the usual practice?

Mr J.C. Kobelke: The rights of the lead speaker were deferred until the member could take them up.

Mr B.K. MASTERS: I am pleased to hear that. At least one small concern of mine has been removed.

The other point is that, as the lead speaker, our spokesperson would have been setting the entire tone for the non-government debate on this topic. The fact that the member is not here means that we have lost, not just an hour of her contributions, but months to a year and a half or more of her study and consideration of this issue. There may be some valid points that members on this side have missed, which only the shadow Minister for Planning and Infrastructure has picked up on and was hoping to make at the beginning of the debate and not at the end. The absence of the opposition spokesperson on this issue is not just unfortunate, it is reprehensible.

Ms A.J. MacTiernan: Some three or four weeks ago the member for Carine raised this issue with me. We came to an arrangement whereby the Thursday before she left, she could speak first. All we wanted to do was to move the Bill forward so that she could speak; so that she could do exactly what the member is saying. The member for Carine was happy to do that. It was all agreed. However, the leader of opposition business thought that he could take a cheap political point and scotch the whole process by claiming that we were trying to rush the Bill through.

Mr B.K. MASTERS: I will raise that issue with the leader of opposition business in this House to verify what the minister is saying.

Ms A.J. MacTiernan: We arranged briefings for the member for Carine. She was being very reasonable. She put it to me that she wanted to -

Mr B.K. MASTERS: The bottom line is that she is not here.

Ms A.J. MacTiernan: That is not our fault. I have great respect for the member for Carine.

Mr B.K. MASTERS: I will check that, and the minister will know that I may be prepared to accept that once I have heard from the leader of opposition business in this House.

Ms A.J. MacTiernan: As soon as we introduced the Bill, the member for Carine spoke to us.

Mr B.K. MASTERS: I am getting a contrary point of view from our side. Unfortunately for the minister, I will have to stick with my understanding of the situation, which is that the opposition spokesperson wanted to be here to lead this debate.

Ms A.J. MacTiernan: She did and the leader of opposition business stopped her for a cheap political point.

Mr R.F. Johnson: Do not tell untruths. That is an absolute untruth and you know it.

The ACTING SPEAKER (Mr P.W. Andrews): Order! It is quite simple. The point has been made and there is a disagreement. Please do not engage in conversations across the Chamber.

Mr B.K. MASTERS: The member for Carine made arrangements months ago to be in Namibia at this time in the parliamentary session. It is reprehensible of the Government not to do everything that was reasonable to ensure she was here for this debate.

The second reason I am strongly opposed to this legislation is that it is not being dealt with as a major amendment under the Metropolitan Region Town Planning Scheme Act. Anyone who tries to suggest that it is a minor amendment must be living on another planet or in another time zone. This is a major and profound change to a very large geographical area of the Perth metropolitan region. No-one will believe the Government line that it is merely a minor amendment, and can go through without a major amendment and all the things that are consequential on its being a major amendment. It is a major amendment and to try to put it through as a simple, three-page Bill is less than acceptable.

Ms A.J. MacTiernan: What sort of amendment should we make to the metropolitan region scheme?

Mr B.K. MASTERS: Other members have spoken on the issue. I will not debate that point with the minister. I share their concern that this should have been treated as a major amendment, not a minor amendment.

The third reason that I am strongly opposed to this amendment is that the Government's change of route does not make a great deal of sense. I have heard many of the arguments put forward by the Government and the Minister for Planning and Infrastructure and there is something missing. Maybe I am too slow or dimwitted to see it, and I expect some people on the other side would agree.

Mr R.F. Johnson: Certainly not.

Mr B.K. MASTERS: I thank the member for Hillarys.

Ms M.M. Quirk interjected.

Mr B.K. MASTERS: I could make a rude comment, but parliamentary standards require me not to.

Something is missing from the Government's reason for bringing in a new route for the southern rail line. For example, why would the Government spend an extra \$100 million, \$200 million, \$300 million or whatever the sum is - \$800 million according to people on this side of the House - when the only real benefit, according to the Government, is a reduction of 12 minutes in the journey time. Why would the Government spend all that extra money and miss the opportunity to significantly upgrade many aspects of the Perth to Armadale line - rail crossings, better stations or whatever.

Mr M.P. Whitely: They are being upgraded.

Mr B.K. MASTERS: Some road crossings will now not be upgraded as a result of the Government's decision.

The bottom line is that once again an opportunity is being missed and it does not make sense. There will be huge disruption to Perth motorists and bus users - to Perth people in general - within the Perth CBD. There will be an 18-month to two-year construction period along the freeway, which will cause major inconvenience to tens of thousands of people every morning and afternoon, and at different times during the construction period that inconvenience will be spread over many hours during the day. While construction is occurring in Perth, even though the Government to its credit will underground the line in a way that uses tunnelling therefore minimising disruption, there will still be major disruption and inconvenience to motorists and to bus users. There are a few other inconsistencies that I will talk about in a moment.

All of the arguments put forward by the Government do not justify the change of route. Why would the Government do it? I hope I am not maligning the Minister for Planning and Infrastructure too seriously, but the word is that the

minister is more interested in the infrastructure side of her portfolio than the planning side. I do not know whether that is true. I have not had enough dealings with the minister over the past 18 or 19 months to judge. Let us look at some evidence of this. First, the minister has taken action to change the planning appeals process. One reason for that is that she says the minister should not get involved to that degree in day-to-day appeals that result from planning decisions. I would have thought that the minister should want to be actively involved in her portfolio and the problems that might arise from the implementation of it. It is interesting that the Minister for the Environment and Heritage has brought into this Parliament legislation that enshrines and protects the environmental appeal process and that involves her - maybe not in exactly the same way as the Minister for Planning and Infrastructure is involved in the appeal process - in an environmental appeal process that is similar to the one that the Minister for Planning and Infrastructure is abandoning. That is an inconsistency.

Ms A.J. MacTiernan: Does the member realise that his party actually supports the abolition of planning appeals matters?

Mr B.K. MASTERS: Yes; we will not oppose it.

Ms A.J. MacTiernan: The member is criticising it, but he supports it.

Mr B.K. MASTERS: I am not criticising the minister. I am trying to understand the minister and get inside her head, and that is very difficult at the best of times. I am trying to explore the issue that has been raised with me by other people that the minister is more interested in transport and infrastructure issues than planning issues. The Government has a backlog of 300 or 400 appeals on planning issues. Previous Government's certainly had appeal backlogs, but this is a huge backlog and it could be interpreted to mean that this Government and this minister are more interested in infrastructure - playing with trains, cars and buses - than looking at the big, more integrated issue of planning. The final piece of "evidence" that the minister is more interested in transport than planning issues is her enthusiasm for this project. I know the minister is an enthusiastic person in everything she does, but to be this enthusiastic about a \$1.2 billion or \$1.4 billion project and not be able to convince people in the broader community that an extra \$200 million or \$300 million, along with a 12 or 18-month delay, is worthwhile, just for a 12-minute reduction in travel time, suggests that we, the people of Western Australia, are missing the point about the Government's support for this legislation. It has been pointed out to me - and the member for Murdoch referred to this - that the real motivation behind this project is not travel time or convenience or any such thing; it is this Government's wish - maybe because it sees itself as a one-term Government - to leave its mark on the Perth metropolitan area. The argument goes that if this Government were to accept the previous Government's plan for the southern rail line and make only a few minor changes, the line would still be seen as the Richard Court Liberal-National Party coalition Government rail line. By changing this project as profoundly as this Government has, it believes that the people of Perth will consider this to be the Australian Labor Party-Gallop Government's project, and therefore the name of Richard Court and the association with the previous Liberal Government will be forgotten. If that is true, that is an even worse reason for wanting to change the rail route in the way the Government proposes. All those things suggest that this Government is changing the rail route from the Kenwick option for less than convincing reasons.

I will now indicate that those less than convincing reasons were shared by one of the Government's chief advisers, namely, Professor Peter Newman from Murdoch University. I had the pleasure of being on the Select Committee on Perth's Air Quality, a committee of the Legislative Assembly, in 1997 and 1998. Professor Peter Newman made a submission to our committee. The appendix to the report at page 98 contains a summary of the submission from Professor P. Newman, Professor of City Policy, Murdoch University. It is worth indicating that as soon as this Government won office in February of last year, Professor Newman was immediately seconded to the Office of the Minister for Planning and Infrastructure, stayed there for a few months, waited for this announcement to be made about the change of route for the southern rail line and then transferred to the Premier's office, where he is now conducting a review into sustainability.

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

Ms A.J. MacTiernan: What the member has just said is factually wrong. Professor Peter Newman has never worked in my office.

Mr B.K. MASTERS: In the minister's department?

Ms A.J. MacTiernan: Never in my department. He has never worked in any agency for which I am responsible.

Mr B.K. MASTERS: As a consultant?

Ms A.J. MacTiernan: No.

Mr B.K. MASTERS: In the few months after the Labor Party won the election last year, he was on secondment from Murdoch University to - will the minister fill in the gaps?

Ms A.J. MacTiernan: I am not writing your speech. He has never been on the payroll.

Mr B.K. MASTERS: My understanding is that Professor Peter Newman provided technical and other advice, whether as a paid employee or as a consultant, to this Government in the first few months following the election; there was then

some doubt about his employment. A question was put to one of the ministers or a parliamentary secretary in the upper House about Professor Peter Newman's position and it was explained that he was about to move over to the Department of the Premier and Cabinet. The minister should feel free to fill in the gaps.

Ms A.J. MacTiernan: I do not know the details of his employment arrangements. He has never been engaged by my office.

Mr B.K. MASTERS: Or by the department?

Ms A.J. MacTiernan: He has not been employed by our department.

Mr F.M. Logan interjected.

Mr B.K. MASTERS: I know he was on a greenhouse committee. Something is a bit suspicious here -

Ms A.J. MacTiernan: The member is just making this up. While it is true that he has always been a supporter of the fast, direct link into Perth -

Mr B.K. MASTERS: No, he has not. I will quote for the minister a few of Professor Newman's words and then I think she will appreciate where I am coming from. The report of the Select Committee on Perth's Air Quality contains a summary of Professor Newman's submission. Professor Newman recommended, among other things -

. . . simultaneous improvement in the community's access to employment centres -

My comment here is Canning Vale -

and urban services so that use of the private car is not relied upon; reurbanisation of areas; and need for road planning to be fully integrated into transport planning where consideration is given to land use and environmental planning.

That final point is the most important. The thesis I am trying to put across is that, on this issue, the minister is, in effect, a minister for infrastructure but not a minister for planning. She is putting aside the planning issues and opportunities that will be provided by the southern rail line and focussing almost totally on transport infrastructure issues.

I now refer to a submission to the select committee entitled "Perth's Air Quality in International Context" by Peter Newman, Professor of City Policy, Murdoch University. Referring to mode of travel, he states -

It is mainly due to the inherent ability of a fast, quiet electric rail service to attract more compact urban development around its stations. Such nodal subcentres are not only more dense but they are mixed use areas that together mean many journeys are much shorter.

He continues -

To reduce car use it is generally recognised by most government reports that densities need to increase. This is reluctantly beginning to be recognised by Perth authorities though no policy is in place to do anything about this; in fact the opposite is the case with most government help being given to greenfield subdivisions on the fringe.

The process of reurbanisation whereby densities are increased around nodal subcentres, is part of the Victorian Government's Urban Villages strategy which has located several hundred sites for redevelopment adjacent to transit stops;

Ms A.J. MacTiernan: That sounds like Gosnells and Armadale.

Mr B.K. MASTERS: It also sounds like many other areas. Professor Peter Newman's submission continues -

it shows that significant emissions can be saved and infrastructure costs can be much reduced. If implemented in Melbourne, no further fringe development would be needed for 30 years.

It reads finally -

The most significant institutional response to tackling car dependence is the need for more integration in planning where infrastructure should go and what are the priorities. To do this effectively there needs to be a Ministry of Infrastructure which incorporates Planning, Transport . . . and Environmental Policy. This should be the same as the UK Department of Environment and Transport.

Ms A.J. MacTiernan: That sounds like what we have done.

Mr B.K. MASTERS: To a certain degree the Government has implemented that final recommendation. It has combined planning and infrastructure, but it has left out the environment. I can understand that, and I do not criticise the Government for it. However, the thrust of what Professor Peter Newman was saying was that one cannot look at transport and associated infrastructure in isolation; one must look at the planning aspects of any new proposal, or one must look at the planning aspects of existing urbanisation and see how one can integrate public transport with that.

I hold up a photocopy of part of the Perth metropolitan region plan. Members will not be able to see them, but some lines on the photocopy compare the previous Government's preferred route via Canning Vale with the current

Government's preferred route up the freeway. I will not go into detail about whether one station should be here or there or whether the rail line should be 500 metres north or south. That is not the point I am trying to make. The point that I am trying to make is that we have a golden opportunity to seriously integrate the southern rail line with urban planning for land use. This Government is throwing away that opportunity for reasons that I outlined earlier do not convince me. The rail line that was proposed from Kenwick to South Lake station would have traversed some significant areas of existing urban and deferred or future urban development as well as the Canning Vale industrial estate. With better planning than that which existed under the previous Government, I believe it would have been possible to have jiggled the rail line a little to ensure that it fitted in better with good planning principles.

Instead of taking up the option to put a rail line into the high employment areas of Canning Vale and areas of potentially higher urban development, namely Thornlie and new suburbs that are yet to be developed, the Government has chosen to put the rail line up the freeway. From just north of Leach Highway station to Perth, approximately 10 kilometres of new line has on its western side no potential for a catchment population. I say that because that area comprises the Canning and Swan Rivers - it is water. Unless the minister is to bring in houseboats as a major planning initiative, about eight to 10 kilometres of the rail line will not attract patrons because there is no population living there and nor can there be.

Ms A.J. MacTiernan: There are Park 'n' Ride stations.

Mr B.K. MASTERS: We are trying to get people out their cars. Park 'n' Ride means that people get into their cars. The minister should know that as soon as people get in their cars the question comes into their heads that as they are in their cars, should they drive to the central business district, or wherever they are going to along the rail line, or should they park at the nearest station. The reality is that once people get into their cars they may not get out at a Park 'n' Ride station.

Ms A.J. MacTiernan: You really do not understand how the Perth rail system is working. You should look at the figures. The vast majority of people using the rail system are Park 'n' Ride people. That is acknowledging the realities.

Mr B.K. MASTERS: That is not in dispute. If we took Professor Peter Newman's advice and designed land use around stations so that there was high urban density, which was aesthetically and sensibly good, so that people did not have to park and ride but instead could walk or cycle to train stations, the catchment population would be several times higher.

Once the railway reaches the suburbs north of Leach Highway, such as those at Salter Point, Manning, Como and South Perth, at best it passes through a series of medium density areas. Unless the minister is suggesting that major town planning scheme revisions will occur in those suburbs, we will still not be able to have the population catchments that other countries around the world know are necessary to get significant numbers of people onto trains so that they can do away with cars completely.

Ms A.J. MacTiernan: You don't think that the northern suburbs line has worked?

Mr B.K. MASTERS: It is working pretty well, but it could work better. It amazes me that the previous Government did not take Professor Peter Newman's advice, because it was then, and still is, very good advice. It also amazes me that this Government is not taking Professor Peter Newman's advice. As I have said, it is a golden opportunity to put a rail line through an area to maximise the integration between the public rail system and urbanisation, but this Government is walking away from it.

The minister talked about Park 'n' Ride stations. I countered by asking why the Government did not put more people into aesthetically pleasing housing of various sorts around train stations. Figure 9 of the Perth urban rail development supplementary master plan of August 2002 shows the percentage of employees who are prepared to walk to their employment from wherever they leave their cars, the bus or the train. The overwhelming majority of people are prepared to walk up to one kilometre. If that logic is reversed and one asks how far people are prepared to walk from their homes to get to a train or bus station, logic says that they will be prepared to walk up to a kilometre. If the distance is longer than that, the European experience is that they will take their bicycles.

Ms A.J. MacTiernan: The pedestrian distance is about 800 metres.

Mr B.K. MASTERS: We are debating only a couple of hundred metres. The bottom line is that here is an opportunity to put medium and high density quality urban development around train stations.

Ms A.J. MacTiernan: We will do it. Which train stations?

Mr B.K. MASTERS: I have run out of time, but I make the point that this Government has had the opportunity and it has thrown it away.

MR M.P. WHITELY (Roleystone) [4.29 pm]: I do not pretend to understand every detail of the options of the direct route and the Opposition's preferred Kenwick route, but I understand the shortest distance between two points is a straight line. The freeway route is obviously considerably shorter. People do not want to go from Mandurah to Perth via Kenwick. I understand that route would have been a disaster for Perth and for the people who live in my electorate. My electorate is very unusual in that it covers six local government areas, including Kalamunda, Gosnells, Armadale, Serpentine-Jarrahdale, Kwinana and Rockingham. That means I have an unusual perspective on this issue, because my

electorate has two sections that are well separated in distance, and both will benefit from the decision to route the Perth-Mandurah rail line along the freeway rather than through Kenwick.

I will talk first about the suburbs of Kenwick and Beckenham. The Opposition's preferred southern metropolitan rail master plan, or Kenwick route, would have been an absolute disaster for the people of Kenwick and Beckenham, because the number of train movements during peak hour on the Armadale line would have increased from 17 an hour to 41 an hour. That would have meant that the rail boom gates at William Street, Beckenham - a road that has over 27 000 traffic movements a day - would have been down for 26 minutes every hour during peak hour, and traffic would have banked up. The Opposition's plan made no provision for a road-rail flyover at William Street. In fact, the nearest road-rail flyover that it provided for would have been some 1.2 kilometres away at Gerard Street. The people who wanted to use William Street would have had to chance their luck and hope the boom gates were not down for 26 minutes every hour during peak hour, or they would have had to drive an extra 2.4 kilometres to get to the other side of William Street. The former Government did not ask the people of Kenwick whether they preferred the Kenwick route. It simply intended to impose that route on them. It failed to deliver Roe Highway stage 4 - although it had promised that - for 10 years and left William Street as a very busy street that was effectively an extension of Roe Highway, without giving a single thought to the welfare of the people of Beckenham. The former Government was prepared to make the situation even worse by not providing for a road-rail flyover at Beckenham. If members opposite want to talk about a blow-out in costs, I am absolutely certain there would have been a blow-out in the Opposition's cost projections for its preferred Kenwick route.

I turn now to the other section of my electorate, the suburbs of Wellard, Baldivis, Bertram and Casuarina. The people in these suburbs are well away from Kenwick, but they also will benefit enormously from the decision for the rail to go along the freeway route, for the simple reason that the duration of their journey will be decreased by 12 minutes. That translates to 24 minutes every working day. That may not seem a lot to some of the people on the opposition benches; having heard them drone on for 24 minutes at a time, it may seem like an extraordinary short time to them. However, to those of us who sit on this side it seems like an extraordinary long time. The reality is that anything other than the direct route - that highly successful model that was adopted for the northern rail line - would have been a complete disaster and a white elephant that people would not have used. It would have been a disaster for the people of Beckenham and Kenwick, because they would have had their lives further disrupted by the inadequate planning that the former Government put into the Kenwick route option. The people of Wellard, Bertram, Baldivis and Casuarina would have had a rail station that they would not have used because of the time delay. When those people want to go to Perth they do not want to go via Kenwick. It is well out of their way. Just to put this time saving in context, my speech has lasted for four minutes, which is one-third of the time that will be saved -

Mr P.G. Pental: You would have to put up with three of these speeches on each trip!

Mr M.P. WHITELEY: Exactly. My speech has lasted for four minutes, and we are talking about a 12-minute time saving.

MR P.D. OMODEI (Warren-Blackwood) [4.34 pm]: The Railway (Jandakot to Perth) Bill is being forced through the lower House at a time when, as has already been mentioned, the Opposition transport spokesperson is away. I cannot see the need for haste in getting this Bill through this House. The Bills that I regard as urgent are the Insurance Commission of Western Australia Amendment Bill and the Civil Liability Bill. I understand that the Leader of the House also has some need for haste on the Wood Processing (Wesbeam) Agreement Bill. Also, we still need to complete the Address-in-Reply. There is no guarantee that this Bill will pass through the Legislative Council with any alacrity, so why the haste? It is a convention of this House that on Thursdays the House rises at 5.00 pm. I have to travel for three and three-quarter hours to get home. I have commitments in my constituency tonight that I will have to renege on because the Leader of the House has some strange need to get these Bills through this House with haste.

Mr J.L. Bradshaw: Why did we not sit late last night?

Mr P.D. OMODEI: I was about to get to that. As members know, this House rises at 7.00 pm on Wednesday nights. Most country members like me and the members for Ningaloo, Murray-Wellington and Collie have to find things to do on a Wednesday night. We could have sat last night - that would not have been a problem for us - and still adhered to the timetable of a 5.00 pm adjournment tonight. I will not make a great song and dance about that, but that is a convention of this House.

My perspective on this Bill is totally different from the perspective that has been mentioned by other members on both sides of the House. In my view, this project is at least five years ahead of its time, and possibly 10, in that the infrastructure that is in place now is more than adequate to cater for the traffic that comes from Mandurah and goes north. Before I give my reasons for saying that, I must make the point that the issue of a major amendment versus a minor amendment is very important. I think the Government protests a bit too much about that. This is a major project for the people of this State. It is estimated to cost \$1.419 billion, most of which will be borrowed. It has the potential to cripple the finances of the State and cause this State to lose its AAA credit rating. I suspect that had this project not been delayed for an extra year, we would already be well on the way to losing our AAA credit rating, and that would mean an increase in interest payments to be met by the Treasury of Western Australia for any borrowings of moneys for

future development in this State. This matter should not be understated. The Perth to Mandurah railway is well and truly premature. There are a number of other projects that I believe are far more important than this project.

The member for Murdoch put it very well when he talked about bus-train-bus; that is, people will have to catch a bus to the train station, then the train, and then another bus at the other end. That will begin to come to people's attention only in the next term of government, when this project hopefully will be completed. I do not know whether this Government will still be in power at that time. I suspect that after people have experienced the disruption to traffic from all the earthworks and have begun to understand that this project is not as simple as is proposed in the computer enhancements, and whatever, they will judge the Government quite harshly.

I will be interested to know the net patronage figures; that is, the number of people who will be transported by train after taking into account the number of people who are already being transported by bus. I travel up and down the freeway on a regular basis every time I am in Perth, because most of my travel is to the south. I am often stuck in that traffic and see the buses driving past at twice the speed that the other traffic is going. The bus service in Perth and throughout the State is extremely good. The bus system in the metropolitan area is catered for with special bus lanes and works very well. People can get on a bus within a short walking distance of their residence and travel straight to their destination. That is not the case with rail. Therefore, whether the rail will go via Kenwick or along down the freeway is neither here nor there as far as I am concerned. However, it is important that priority has been given to the project. Why is the Government afraid of this major amendment? Is it afraid that some interest groups will be critical of the Government's position on this issue? I think that is it in a nutshell. If the Government is not afraid of public opinion, why does it not bring the legislation into Parliament as a major amendment and allow a public consultation process to occur? This Government is very strong on issues of public accountability, honesty and propriety of government and all those things we hear from successive governments. In reality the Government is reneging on those issues. I am concerned about that.

There is another reason that the project is well and truly ahead of its time. Before the last election some issues were promoted in the community as major issues, such as ambulance bypass. That was considered and promoted by the Labor Party at the time as a major crisis in the hospital system. Having taken a step into government, this Government now refers to ambulance bypass as a management tool. The truth is that the situation has been exacerbated. Hospital bypass is a serious issue. The availability of nurses in Western Australia is a serious issue. It was serious before the last election and continues to be serious. What has changed? Fuel prices are still an issue. Funding for people with disabilities is still an issue and funding for hospitals is still an issue.

I suggest an alternative proposition. I am a country member -

Mr M.P. Whitely: I was going to say something.

Mr M. McGowan: We remember.

Mr P.D. OMODEI: I am being rudely interrupted by members in the vegie patch but I will not succumb.

The ACTING SPEAKER (Mr P.W. Andrews): The member should not take the bait.

Mr P.D. OMODEI: I will not take the bait, Mr Acting Speaker. It is Thursday afternoon and everybody knows how important Thursday afternoons are.

Mr F.M. Logan: Particularly for you.

Mr P.D. OMODEI: Particularly for me. I will suggest an alternative view. I was interested to hear the member for Mandurah's comments about Mandurah, which has a large number of projects. I travel through Mandurah on a regular basis, as I am sure a number of other members do. There are eight sets of lights in Mandurah. All the heavy traffic with the produce that comes from the south west corner, whether that be agricultural produce, timber or other products, goes right through the middle of Mandurah. I suggest that the Peel deviation would have been a far better proposition if the Government had given this matter proper priority rather than making decisions for political purposes to make sure that the seat of Mandurah was retained. If the Government made decisions for the good of the State, for the good of the people who live in the State and for the proper transport of produce and people in the State, we would have a Peel deviation at a cost of \$300 million-odd and the member for Mandurah would have a beautiful city with very little traffic where people would be able to move around. That also applies to the Shire of Murray. Heavy traffic would come up the Peel deviation, straight onto the end of the freeway, into the city, down onto the Leach Highway and into the port. What happens now is that some of the heavy traffic, such as multi-section B and C trains, are not allowed onto the end of the freeway; they must go down through Baldavis and through all the sets of lights to get to the port, which causes huge disruption. The other way would be very simple.

I must tell members that the South Western Highway between Donnybrook and Bridgetown is a deathtrap. There were proposals for further woodchip mills at either Donnybrook, Kirup or Bunbury with large numbers of extra truck movements anticipated. I believe that road is already a deathtrap, which will be exacerbated by the lack of effort by this Government. I believe the \$60 million allocated to that road has been completely slashed from the budget. I foresee a rash of accidents on that highway leading to a severe loss of life.

I have mentioned Muirs Highway before in this place, and I will mention it again until I am blue in the face. Muirs Highway runs east of Manjimup to Mt Barker. It is the major east-west route for the lower south west of the State on which a lot of traffic carrying provisions comes in from the eastern States.

Mr M.W. Trenorden: It is a goat track.

Mr P.D. OMODEI: It is a goat track. The landscape is inundated around Lake Muir -

Ms A.J. MacTiernan: You had a lot of influence in the eight years you were in government, didn't you?

Mr P.D. OMODEI: I agree with the Minister for Planning and Infrastructure. The former minister at least had the courage to visit the south west. I drove with him in a bus along that highway in winter where we met a number of big trucks.

Ms A.J. MacTiernan: But he still did not do any work on it.

Mr P.D. OMODEI: For the minister's edification, the previous Minister for Transport saw fit to complete in an appropriate fashion the dual carriageway to Bunbury out of an allocation of \$8 million. As the minister knows, funding of \$12.7 million is required. I think the minister is about to announce an allocation of \$500 000 or \$700 000. Has the minister been down that road?

Ms A.J. MacTiernan: Muirs Highway?

Mr P.D. OMODEI: Yes.

Ms A.J. MacTiernan: No.

Mr P.D. OMODEI: I am not trying to embarrass the minister -

Ms A.J. MacTiernan: You are not embarrassing me. Of course, I haven't been down every road in the entire State.

Mr P.D. OMODEI: It is embarrassing. It is a major east-west route. Heavy trucks use that road bringing produce into the south west, such as woodchips, fertiliser, cattle, sheep and so on.

Ms A.J. MacTiernan: As the member knows, I met with the shire and the representatives of that community.

Mr P.D. OMODEI: Yes, and I understand the minister told one of the counsellors not to give up his day job; does the minister remember that? That is what was relayed to me. If the minister wants me to give her a pat on the back, I will say that the meeting she had with the Shire of Nannup last week was a victory for commonsense in relation to Milyeannup Road. That is the sort of attitude she should apply to Muirs Highway and the South Western Highway because people are being killed on these roads. Milyeannup Road is used by a mixture of trucks and school buses.

Ms A.J. MacTiernan: You were a minister for eight years. If it was that bad you should have done something.

Mr P.D. OMODEI: The minister cannot keep blaming something that happened 20 or 30 years ago, or last year or the year before. She is the minister in charge of these roads. Money would be far better spent on correcting those issues and on ensuring that a new primary school is built in Manjimup, that hospitals have adequate funding and that proper programs for elderly people are established rather than on a project that is years ahead of its time. I will be voting against this Bill. I do not agree with the project at all. It is miles ahead of its time. It is an absolute waste of taxpayers' money. The Government is trying to con the people of Western Australia into believing they need a railway line when they do not. I ask members, for God's sake, to get around the State and examine the priorities on which money should be spent. They should look at the magnificent new freeway with all its overpasses built by the coalition Government; it is a project of world standing. Traffic comes up that freeway at a very slow pace of 100 kilometres an hour, with no trucks on the south of Leach Highway, which beggars belief.

Mr M.F. Board: What about the Northbridge tunnel; how good was that?

Mr P.D. OMODEI: They are the sorts of projects that have increased people's ability to move quickly through the city to the airport. The southern freeway is an excellent project and should be extended down the eastern side of the estuary at Mandurah to free up all the roads in Mandurah and to make sure the traffic flows freely through it. The minister should visit Mandurah on a weekend and have a look. She is the minister in charge of transport. Her bureaucrats should take note of what is said in this place and go out there and have a look. That is the minister's job. This is not the first time I have mentioned these issues and I will repeat them time and again until I get thrown out of this place - I mean, until I decide to retire!

I will recap for a minute. I believe this is a major project and it will be the reason that WA loses its AAA credit rating. It is a project about which major amendments should come into the Parliament to be discussed. It is a project that will not help those people. As the member for Murdoch said, if I had to catch a bus to a train and then get off the train and onto a bus, there is no way I would use that train. I suspect that that is what will happen. This is another belltower, but it is a belltower of mammoth proportions! I can recall going around my electorate when we were in government. Every time somebody wanted something of any size at all, they said, "Why don't you can the belltower?" We recall where the

bells came from, under which Government that happened and which Government catered for them. That is all history. This is \$1.419 billion as of today -

Mr M.W. Trenorden interjected.

Mr P.D. OMODEI: That is what the second reading speech states. Whether it is \$1.4 billion or \$2 billion, a lot of other things in country Western Australia need to be done now. Members opposite might think they have all their seats stitched up in metropolitan Western Australia, but every one of the 400 000 or 500 000-odd people in country Western Australia has a friend, relative and neighbour who has a friend and a connection with the metropolitan area. They will not get away with it at the next election. Members should not play smart politics; they should use a bit of commonsense. This project should be canned for at least five years, and we should get on with the real priorities in Western Australia.

Debate adjourned until a later stage of the sitting, on motion by Mr J.C. Kobelke (Leader of the House).

[Continued on page 959.]

WOOD PROCESSING (WESBEAM) AGREEMENT BILL 2002

Second Reading

Resumed from 20 August.

MR C.J. BARNETT (Cottesloe - Leader of the Opposition) [4.51 pm]: This Bill is an agreement Bill. This legislation has finally reached this House and for that I am very pleased. I make it clear from the start that the Liberal Opposition supports this agreement. It certainly supports the proposed project and hopes it succeeds both financially and technically in every sense. The company involved, Wesbeam, is a relatively new corporate entity that is headed by Denis Cullity, a person known to many members of this House. I pay my respects to Denis Cullity. He is a constituent of mine. I regard him as a friend. He has been a pioneer of the timber industry with some 50 years experience and is from the older school of gentlemen businesspeople.

Mr M.F. Board: And a generous supporter of the community.

Mr C.J. BARNETT: He is; he is a fine person.

This also represents an advance for the plantation timber industry in this State in harvesting the now mature Gngangara resource and, in particular, producing a high value-added product from that plantation timber.

There is bipartisan support for this legislation. I will not delve into politics, but when this project's final go-ahead was announced by the minister and the Premier, I was disappointed to observe the television coverage during which the Premier said words to the effect that this project was somehow linked to the policy adopted by the Labor Party on native timber and implied that this was part of the adjustment happening in the timber industry. That was clearly designed to deceive. There is no relationship between the Gngangara resource, the development of the Wesbeam or laminated veneer lumber project and, indeed, decisions made on the native hardwoods, jarrah and karri. It is unfortunate that that impression was given. It was not honest and it reflected poorly on the Premier.

I will give a bit of the history of the project. The Gngangara pine plantation is a mature plantation. It is ready to be harvested and probably has been for some time. It is *Pinus pinaster* or maritime pine. Some time ago the forestry division of the Department of Conservation and Land Management saw the opportunity not only to harvest that pine but also, given its volume, to promote the development of a value-added industry. I recognise the role played by its former executive director, Syd Shea, in that process. He certainly could see the opportunity. I also acknowledge former ministers Foss and Edwardes, who, as environment ministers, worked with CALM to promote this project. I also had some involvement with the project, primarily in the initial development of the state agreement that is now before this Parliament. However, the work on the forestry aspect essentially was taken on by CALM, the ministers and the executive director at the time.

The process started some six to eight years ago when tenders were advertised internationally by CALM, which also involved Austrade, seeking any international interest in accessing the timber resource of Gngangara and, from that, developing a value-added timber industry for plantation timber. There was a significant degree of interest, particularly from Japanese companies. Generally they expressed the view that a product known as LVL, or laminated veneer lumber, was the most appropriate use and the best market opportunity for that resource. As was explained in the minister's speech, LVL is similar to a plywood product in a sense. It is made up of multiple layers of timber - in this case pine wood - that are glued parallel to the grain. It allows the construction of large beams of timber out of a softwood resource. It has a number of advantages because of its construction, the layers, the gluing and the parallel alignment of the grain. It produces high-strength beams. It also is possible to produce beams of a longer length. It can be based on a plantation resource, and some of the advantages of a hardwood timber can be achieved by using a softwood resource by treating it in this way. Indeed, because it is glued together in sections, an unlimited range of lengths, shapes and widths can be created from this product. Its application obviously is important in structural timber and provides an alternative to hardwood structural timbers or steel. It can be made visually attractive. It can be used

for formwork, joists and a range of other applications. It is not a synthetic product. Effectively, it is a synthetic process whereby a softwood resource is given all the characteristics of a hardwood resource in large beams of significant strength.

It is a relatively new product internationally, and one that is rapidly growing in its market use. It is produced mainly in North America, but production is now occurring also in Europe and Asia. The world consumption of LVL has grown tenfold, which is an enormous rate of growth over the period 1985 to 2001. Currently, according to the minister's speech, the world consumption is estimated to be some 2.3 million cubic metres. The fact that that 1 000 per cent growth has occurred over the past 15 years shows that it has market acceptance and wide market application. It is expected that strong market demand for the product will continue internationally.

The Australian market also has increased significantly, particularly since the mid 1990s, and is an important use in replacing native timber in housing and other types of construction. In 2001, the Australian consumption was 75 000 cubic metres. It is estimated that that will rise to around 120 000 cubic metres by 2007. They are the forecasts of analyst firm BIS Shrapnel. Growth is expected to continue through to 2010 and beyond.

In Australia at present there is one major producer in South Australia, producing about 60 000 cubic metres. Wesbeam will become the second major producer. Obviously its success will depend on supplying the Australian market by replacing current imports into Australia. In particular, it will anticipate picking up the growth in demand and perhaps creating new market applications in Australia. Also it will look to export part of its production. The critical issue will be Wesbeam's level of production when the plant is commissioned. However, it does have a market challenge in front of it, in both the domestic and international markets; that is part of the overall challenge of this project.

I return to some of the history of the development of the project. In 1998, the Western Australian pinewood processing timber company WESFI Ltd was contacted by the Executive Director of the Department of Conservation and Land Management, Dr Syd Shea, who inquired about whether WESFI was interested in becoming involved with the Japanese trading house Sumitomo in developing a laminated veneer lumber product. I believe that was a good decision and a good innovative approach to bring a local company, WESFI, into contact with an interested Japanese partner in Sumitomo. During the next year or so, there were ongoing discussions between WESFI, Sumitomo and CALM. Logs were taken from the resource to Japan and tested in similar facilities in Japan.

Around 2000-01, Sumitomo seemed to lose interest in the project. Perhaps that was partly due to the fact that the market conditions in Japan had slowed down. A more cynical interpretation might be that Sumitomo was perhaps more interested in accessing the resource than producing LVL in Australia, and saw it as an important resource for existing mills in Japan. Whatever the reason, Sumitomo fell away from the deal. That essentially left WESFI with the project by itself. For WESFI, that clearly was a risk, because the association with Sumitomo would have probably taken care of any export sales quite conveniently. One of the challenges for any company that develops a new resource project in Australia is that, unlike in, say, North America, Asia or even Europe, it is almost entirely based on exports rather than on a readily available and naturally protected domestic market. In this case, that obviously presented a challenge for WESFI, and it will represent a challenge for Wesbeam.

WESFI then went through a period of corporate upheaval. There was an attempted takeover by Bristle Ltd. That was a hostile event. Out of all that saga, WESFI was finally acquired by the United Kingdom group Amatek Holdings Ltd, which is a panel products group. It took 100 per cent ownership of WESFI. It is correct to say that a Western Australian company effectively became overseas owned. However, it was a friendly relationship at a commercial level.

While all that was going on, obviously WESFI was distracted. During that period, negotiations on a state agreement had begun. Members might wonder why people would want a state agreement on a project like this. Essentially, it reflects some history. It is slightly similar to the Oji Paper Co plantation and chip-processing project at Albany, where Japanese trading houses and companies had been used to the security of a state agreement when dealing in Western Australia. In the timber industry, given the life of the projects - in this case, the trees that were planted would take some 25 years to reach maturity - Japanese companies like to have the support of the State under an agreement. They like the bipartisan support of an agreement ratified by this Parliament. That is a bit of history of the reason the agreement is now before this Parliament. In a sense, an agreement is not absolutely necessary to develop a project like this. However, we accepted that the partners wanted a state agreement, and when in government we started those negotiations, and they have continued through to the time of the current Government.

When Amatek took over WESFI, the management of WESFI at the time, headed by Denis Cullity, left the organisation. In the split-up that took place, the LVL project, and the rights to it that had been negotiated, did not pass to Amatek. They remained with what had been created as a WESFI subsidiary - Wesbeam - and Mr Cullity, Mr Malone and others from WESFI kept that within their control. Therefore, they did not go international or into the UK group. As I said, until February 2001, Wesbeam was a subsidiary of WESFI. However, following the takeover, Wesbeam became a separate unlisted company in Western Australia. The directors and management of Wesbeam are essentially the original WESFI management group.

The project requires the supply of pine timber from the Gngangara plantation. The construction of the LVL plant is estimated to have a capital cost of \$80 million and will fall within that group of engineered wood products projects. It

is a significant advance for the overall timber industry, particularly the plantation timber industry in this State. It is value adding. I very much welcome this project.

It is also worth noting that this will be the first project to be located in the proposed Neerabup industrial estate near Wanneroo. In that sense, as a significant project, it will kick off what I hope will be an important and successful area for industry close to Wanneroo. The objective of the company is to start construction before the end of 2001 and to commission the plant by the end of 2003. I am not quite sure - perhaps the minister will inform me later - what the anticipated schedule of production is, how quickly the company expects to ramp up production and what level that might ultimately reach.

The agreement Act, as I said, is a parliamentary ratification of an agreement that has already been signed by the State and Wesbeam. We are adding the parliamentary seal of approval. We are giving it bipartisan support, and giving the investors in this project long-term comfort that they have parliamentary and statutory backing. The state agreement was not only wanted by Wesbeam but also supported by the Forest Products Commission. It will give long-term security for investment and, in particular, long-term security regarding wood supply and transport issues.

I understand that most of the issues were agreed in the ongoing negotiations which were conducted over several years and which were finalised in May this year. The agreement was signed on 11 August and now comes before this Parliament.

I will outline some of the major features of this agreement, and we will probably deal with some of them in more detail later. The main aspect of the agreement is the supply of wood from the Gnangara resource. Indeed, the agreement outlines that some 4.1 million cubic metres of pine from Gnangara and other sources will be supplied over a 25-year period. The Gnangara resource is obviously a state-owned plantation, so a commitment has been made by the State to make that resource available over that period. The average supply of timber over the 25-year period is estimated to be about 160 000 cubic metres a year. It is also estimated that within some 15 to 20 years the Gnangara resource will be exhausted. That means that it will be necessary for the State to conclude its obligations by accessing other timber from elsewhere in the State. That will obviously relate to other CALM plantations in the south west of the State. Overall, over the 25-year contract period, it is estimated that 80 per cent of the wood resource will come from the Gnangara plantation, and a further 20 per cent will come from CALM plantations in the south west.

The agreement also offers a right to a further 90 000 cubic metres of resource, if it is available. A number of members in this House will probably want clarification of how firmly that commits the State. It is a question of whether the resource exists and, indeed, if it is committed to this project, what implications that might have for other potential users of a pine resource. I would be concerned if the State is committing itself to something it does not have, or is committing to sell timber that is yet to be planted, let alone grown. That could put a long-term obligation on the State, and I wonder whether that has been necessary to secure the project. I would have thought that the essentially exclusive access to the vast Gnangara resource was probably a strong enough bargaining chip.

The agreement also makes provision for a second 25-year contract for timber supply, extending from 2029 to 2054. This is getting out a long way. I will be 104 then.

The SPEAKER: I will be nearly 60!

Mr C.J. BARNETT: I look forward to observing the success of this project at that time. This is a significant obligation to supply 250 000 cubic metres over the period 2029 to 2054. Only *Pinus pinaster* or maritime pine is suitable, and it takes 25 years to grow a tree. Essentially, this is a commitment to supply timber that does not yet exist; it may not be available. I am wary of the impact of that obligation on the State. I recognise that the company also has obligations to supply timber into the longer term. Part of this agreement places an obligation on the company to spend at least \$1 million a year from 2009 onwards on growing trees. Members will require more details on that second obligation and the extra 90 000 cubic metres.

The agreement Bill also places an obligation on the company to start construction by the end of this calendar year. If the company fails to meet that construction timetable, in theory, the State could determine the state agreement; in other words, tear up the agreement. That is an extraordinarily tight timetable. It is 12 September and we are only just starting to debate this legislation, yet the company is meant to have construction under way by the end of this calendar year.

Another aspect is that this will be the first project in the proposed Neerabup industrial estate near Wanneroo. That estate is a LandCorp project. As the first project it will be important in developing a new site which will, hopefully, attract further investment. I understand this is essentially a commercial arrangement between LandCorp and Wesbeam and it is not overly covered by the agreement Bill. However, the agreement Bill does refer to some aspects of the land to be acquired and used at Neerabup. The state agreement puts in place zoning protection for the site. Once the plant is developed, it can continue to be used for that purpose in the future. It also ensures an envelope of land around the location and the site, which will act as a form of buffer.

The SPEAKER: Order! I know that some interesting conversations are happening around the Chamber, but they are now interfering with my capacity to listen to the Leader of the Opposition, and I ask those people either to go outside or desist from their conversations.

Mr C.J. BARNETT: It puts in place some arrangements for zoning and for this envelope of land which effectively becomes a buffer; it is not a real buffer as there might be around a major industrial estate, but it gives some protection. That reflects the history of WESFI management, which became involved in the issue of buffer zones around its Dardanup plants. I was involved with that, and the member for Murray-Wellington is well acquainted with the conflict between the industry and neighbouring properties.

Some other aspects of the agreement relate to the transport of timber. Vast amounts of plantation timber need to be transported by road to the Neerabup site, and road transport is always a contentious issue. The company is looking for security over not only its access to the resource, but also its ability to transport that resource from Gngangara, the south west or any other location to its Neerabup plant. The agreement Bill contains provisions relating to transport permits that will be provided by Main Roads WA and also road maintenance clauses, one of which requires the State to keep roads in a suitable condition. Another clause states that if the company transports timber on roads that are not designated for timber haulage, it will have some obligation to share in road construction and maintenance costs.

There is also a stamp duty exemption on the timber contract, the land contract and other aspects of the state agreement, which is worth some \$90 000. I find that unusual. That is effectively a government subsidy of the project. I am not making that point by itself. Generally, in state agreements, stamp duty exemptions are not a subsidy; they are put in place to allow any reassignment or change of ownership of the project once it is completed and commissioned. It is often the case in major projects that the proponent may not ultimately be the final operator. Often, one company or group may develop the project and then brings in owners such as customers, other investors and financial institutions. A stamp duty exemption provides that within the initial two-year period, the company will not be hit with double stamp duty. This is not of that nature; it is simply letting them off stamp duty in those areas.

There are some other issues of interest in relation to this project, and some members in this Chamber will raise those. Although I do not think anyone has any dispute with this company being given the rights to the Gngangara resource, some questions may be asked about the impact on the south west plantation industry and on other users of plantation timber, both now and in the future, given the commitment by the Government to supply timber from Gngangara and the south west to the laminated veneer lumber plant. It is not just the Gngangara resource - the 4.1 million cubic metres - it is the extra 90 000 cubic metres to be supplied, if it is available, and the commitment for the second 25-year period. There is a concern that it may tie up too much of the State's resource for too long.

There are also issues of ground water. There is an environmental benefit from this project. The removal of large mature pine plantation trees from Gngangara and their replacement with rehabilitated native vegetation, presumably small plants with shallow roots, means the amount of water that will be pumped out will be reduced. There will be less expiration of water through the vegetation. It is estimated that 36 000 gegalitres a year of additional water will flow into the subterranean aquifers at the stage all the trees are removed. That will obviously be of a significant benefit to ground water in the area, which is under pressure, and I imagine will also contribute to the maintenance of wetlands in the area.

The timber pricing issue is essentially negotiated between the Department of Conservation and Land Management and Wesbeam Pty Ltd, and it does not form part of this agreement Bill. I am advised that the principles of that pricing are similar to those that apply to other plantation resources, such as WESFI plants in the south west. As I have said, there are obligations also for timber that does not yet exist, is not in government ownership, or is yet to be planted.

A final point is that we must be conscious of the fact that an unrealistic parliamentary timetable has been put in place. The agreement Bill places an obligation on the company to start construction by 31 December. I understand there is nothing at the Neerabup plant; it is still bush or farmland. It will take LandCorp probably three to four months at a minimum to prepare the site, and to provide access and the necessary services. Debate on this Bill is now just starting in this House, and the Bill must go through the other place. If LandCorp must wait for that to happen, it will have difficulty meeting the December deadline. However, from the Liberal Party's point of view, we have no desire to hold up this Bill. We will be asking the minister some questions about it, but it has our support. As I said at the beginning of my address, I hope the Bill can pass through this Parliament in a reasonably expeditious way. I have indicated to Wesbeam that the Liberal Party supports this legislation and the project. We have conveyed that to some of their financiers and investors, to indicate bipartisan support for this project and the agreement. However, the timetable is extremely tight.

I wish the project well. I look forward to seeing it develop. This is a credit to CALM; it is an initiative that goes back some time. I acknowledge the efforts of officers within the Department of Resources Development, now the Forest Products Commission, the former ministers involved, and the current minister for bringing negotiations on this project to a conclusion. All members look forward to its operating and succeeding.

MR M.W. TRENORDEN (Avon - Leader of the National Party) [5.20 pm]: The National Party also supports the Wood Processing (Wesbeam) Agreement Bill 2002, but with some reservations. I will be referring to another company in the industry, called Pinetec Ltd, and the inequity of the process that has been applied to particular industries in this State. There appears to be a desire to start de-treing Gngangara mound so that matters relating to the water beneath it can be dealt with. The Government is therefore seeking a company that can use that timber, by offering it a state agreement. Mr Speaker, if your long lost friend the member for Pilbara were here, he would be ranting and raving

about using a state agreement for a tiny, \$80 million industry. The minister and I, together with the member for Pilbara, have had this conversation on many occasions. It is also questionable whether we should be using a state agreement for this type of industry. We will not oppose that decision, but we would have been more comfortable with the Forest Products Commission giving a 20-year contract for the same outcome. The minister should give these companies the certainty of having a bankable project, which will always involve price, access and resources. That could result from an agreement with a Western Australian government agency. I suspect that deep down the minister agrees with me that that would be a better process. I am sure the minister already knows that that process of 20-year agreements is already used in the eastern States in these circumstances. We are disappointed in the decision made by the minister. Personally, I think this minister is competent. I have listened to the minister debating when he has thought things through pretty well. I am surprised that I have to make these points, because I did not think the minister would get himself into this position. The National Party's argument is that the minister should treat Western Australian companies equally, and he has not. Interestingly, the company that has not been treated equally is in his own electorate.

It is also no secret that this Government's policies have devastated the south west communities that have relied on the timber industry. Even though the National Party agrees with the common agreement about conserving our high value old-growth forests, there is an argument for restructuring and picking up the pieces flowing from the disaster that has been caused in the south west communities. We were expecting some Pinetec activity in the seat of Collie. I was in Collie with the local member and a number of other people for a water meeting, and people were expressing their expectations that Pinetec would turn up in Collie. I do not think Pinetec will turn up in Collie, for a range of reasons, going straight back to the minister. The minister is directing the Government on this issue. I have no qualms about Wesbeam coming into Western Australia and creating an industry. I say good luck to Wesbeam for getting a state agreement. Apart from questioning why a state agreement was used, we have no objection to Wesbeam getting that state agreement, although we point out that that state agreement will deliver the following to Wesbeam: a price agreement, which will be secret; a resource agreement; and an access agreement, which it can use to get a banking arrangement and therefore commence an industry. That is great, but what about Pinetec? Why can Pinetec not have the same or a similar deal? That is a very simple question. Pinetec does not enjoy any assistance from the State Government, and it should. The business is some 11 years old, it was set up in the minister's electorate, and it has a need to move south and access pine and have lower transport costs. It does not want to move all the business, but it wants to take a portion of its business south, because that is where it will get access to the appropriate pine. The company will obviously not get access to Gnamptara now that this deal has been done. It will gain a certain amount of access, but the bulk of the access to Gnamptara will be for Wesbeam. Pinetec has a right to some space and it is asking for the same assistance that everyone else seems to be getting. That is not asking too much.

I am sure the minister will enjoy listening to his own words and I hope he will take them to heart. On 16 November 2000 the minister stated -

It is important for the state agreement legislation to provide security of resource for WESFI Limited so that it can plan with certainty for the years ahead, undertake marketing and do forward projections. That certainty is equally important for Pinetec. It is in a different market, but it is a very important market. . . . While this issue does not directly affect the company in question or cut across the purpose of this Bill, it does deal with the general question of security of resource. I raise it in the hope that the minister -

Obviously another minister -

will make some encouraging comments to indicate to the company that the issue will be addressed. Like other groups that are prepared to invest in the future of this State, Pinetec's future investment requirements will be considered in light of security of resource.

I hope those words remind the minister of the position he was in when he did not hold the lofty post of minister. In my view he is still being unfair to Pinetec. I will keep putting that to the minister as long as this debate continues, and I am sure it will prick his conscience when he responds later. I hope the minister has the same passion for Pinetec today as he had in the year 2000. The minister should bear in mind the Government's forest policy and the closure of hardwood mills in the south west; they are no longer viable because of the limited resource. I was in Manjimup a few days ago with the member for Warren-Blackwood and I expressed concern about the proposals for that area and the pain that would be felt. There is certainly an opportunity for workers to end up in Collie. It is not for me to speak for Pinetec Ltd. I do not know where the company prefers to go, but I certainly know as a result of visiting Collie that the people of Collie are expecting Pinetec to turn up there. If the access for Pinetec is to be in the south west, somewhere around Collie is a logical place for it to be. I was given a briefing that referred to offcuts and other matters to do with the pine industry to be used as another source of generation. I do not consider that to be a major point in the debate, but it is an interesting point, when one considers that Pinetec could end up at somewhere like Collie where pine offcuts could be used in power generation. Pinetec should create 50 new direct jobs. The argument always is that each new job will create 2.5 indirect jobs. That would be a boon for somewhere like Collie that has not had a good run for a while. Certainly 50 jobs in the town of Northam would be felt.

Mr M.P. Murray: They would be much appreciated.

Mr M.W. TRENORDEN: Exactly.

Mr M.P. Whitely interjected.

Mr M.W. TRENORDEN: There is a substantial difference but we will have that debate on another day.

Pinetec requires 100 000 cubic metres of timber a year to be viable, 80 000 of which would be required from a state agreement or a 20-year contract from an appropriate government agency. It is understandable that the company requires security of resource in the same way that Wesbeam has exactly the same requirement for its security of resource. The minister is not offering to Pinetec the same arrangement about price and access that he is offering to Wesbeam. I do not know the financial capacity of Pinetec, but I would suggest that as it has a 10-year contract for pine supplies, it would have difficulty raising capital. I am sure the minister would know more about that than I. He might agree that Pinetec would need more than a 10-year resource agreement to be able to raise the money it needs to relocate somewhere else in the south west of the State - one hopes in Collie.

The minister has knocked Pinetec back \$4.5 million of the resource. He is saying that the \$123 million that the Premier keeps talking about as being available for the restructuring of the timber industry is all expended. I do not know where it has been expended, but it has certainly not been expended at Manjimup or Pemberton. I am surprised therefore that the minister has not found \$4.5 million, which would allow Pinetec to relocate. I am surprised that he has not felt enough passion to give Pinetec the security of resource that it deserves.

I will ask for an extension, although am trying to assist the House and get through this speech because I know that not all of us want to be here at 10.00 pm. However, I do want to make these points because I believe they are important. The minister needs to give some indication to this House that he is prepared to do something about long-term access for Pinetec. I understand that three other firms have long-term access to state-owned pine plantations in this State. The only one that has not got that is Pinetec. I must therefore keep on asking why Pinetec is the only one that is out of the loop. There is no reasonable argument for saying that the level of value adding is an important argument, because one of the other arguments is jobs, and my understanding is that more jobs will be available through Pinetec than through Wesbeam. The minister might be able to tell me whether that is right or wrong. It would be at least marginal, if that is not correct.

It is worth noting that 94 per cent of the State's pine resources are locked up in state agreements. Who has not got a state agreement? Pinetec.

Mr P.D. Omodei interjected.

Mr M.W. TRENORDEN: That is right. Three state agreements take up about 96 per cent of the State's pine resources, not private pine resources.

There is no assistance for relocation costs. Pinetec has been knocked back on that. It is not getting equitable assistance with prices, access or long-term security when compared with Wesbeam. The minister is picking winners. During the eight years when we were in government, the minister when in opposition said a great deal about Governments that like to pick winners.

Mr F.M. Logan interjected.

Mr M.W. TRENORDEN: That is a good point. The situation is similar to that of the Albany woollen mills.

During the years that I have been in this House with the minister, he has not advocated picking winners. I am therefore surprised that he has decided to pick a winner.

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

Mr M.W. TRENORDEN: Wesbeam is not a high technology, super-duper, value-adding process. Mr Speaker, you indicted to me about 10 minutes ago that I should debate with some of the erstwhile backbenchers on my left, but I was saying that I have been to Canada on six occasions. That is over a period of 15 years, but nevertheless it is a pretty good effort. I have seen a number of timber-processing plants. As the minister would know, in Canada everything is built out of chipboard. Houses and much of the stress-bearing material are built out of chipboard. When I was in Alberta, I saw plants that produced boards and stress beams from canola straw. In Hawaii plants were making such products out of sugar cane. It shows that the present day technology can take canola straw or wheat stubble and produce a high quality product. What is proposed here is not super-duper special. I am not opposed to the plant. I believe that the trees should come off Gngangara mound and that it is reasonable for Wesbeam to carry that out but I believe it is questionable for the minister to decide to pick a winner.

There are always other options. A group in Northam is trying to raise \$16 million to establish a plant that would make a similar product out of wheat straw. If I approached the minister for \$16 million for an investment in Avon, I would be laughed out of the House. I wonder why it is not equal for everyone. That is the point. The minister might be interested to know that the plant in Alberta was making better than 40 per cent profit, although I must admit that it is a massive market. There are between 40 and 50 factories in Canada making board products from wheat straw. I was told

that the quality in Western Australia would be better because we have longer periods of sunlight, which would strengthen the straw. It would be nice to see that sort of development in the wheatbelt, especially Northam or Merredin, or anywhere else that has reasonable access. An industry like that, making products from wheat straw, would be well accepted in the wheatbelt. However, I am sure the minister will not give me a state agreement to do it. That breaks my heart.

I was surprised to learn at the briefing that the pricing in the state agreement was determined without a model; it has been plucked out of the air. I know that the minister was passionate some years ago about ensuring there was a modelling process for establishing state agreements. There should be a benchmarking process that can be explained by the minister. I am talking not specifically about the price, but about the economic modelling process used to derive the price. There must be fairness for other companies seeking to use the State's resources. There should be a level playing field for companies dealing with Western Australia, but there is not. This is a one-off agreement that, from my understanding, has come from nowhere. At the briefing I was told it was established from experience within Western Australia. What does that mean? How do I measure that?

Despite all that, I am happy with the minister and his ethics. I think the minister is a good one and when his time is up in this place people will not criticise his efforts. I am surprised that he is not able to tell me or any other member which modelling process was used to determine the pricing in this agreement. That is because none was used. That is disappointing.

Let Wesbeam have its contract and state agreement, but let us all be equal. Pinetec Ltd, an 11-year-old firm, should have the same access and security from the State as Wesbeam. There is no reason I can see that the two companies should be treated differently. Unless the minister pays attention to the long-term resource requirements of Pinetec he may find the company in difficulty. That is not something I say as the member for Avon or the Leader of the National Party. I met with two representatives from the company who were very concerned about its future. They argued long and strong for at least a 20-year agreement for access to the resource. I well understand why. I do not think I have been too hard on the minister; I have put very fair questions.

Ms M.M. Quirk: You have been a pussycat!

Mr M.W. TRENORDEN: That is right; I have. I have been a pussycat because I respect the minister and I expect a reasonable response from him.

MR P.D. OMODEI (Warren-Blackwood) [5.45 pm]: I indicate my support for the utilisation of the maritime pine resource on the Gngangara mound. It is something that has been discussed for a number of years and it is timely that the resource be utilised. I will direct my comments to some of the issues concerning the agreements in this Bill. I will not go over many points raised by the Leader of the Opposition or the Leader of the National Party, but I will ask questions about the volume of resources to be consumed. I find it interesting that this Bill will provide security of resource to Wesbeam for 27 years, with an option for a further 25 years. We have had forest management plans over the past two decades for the hardwood resource, but the contracts are for 10-year periods. This contract allows for 120 000 cubic metres in the first year, increasing to 160 000 cubic metres in subsequent years. The Sotico-Bunnings contract for jarrah was 258 000 cubic metres but there was no agreement Act. It begs the question as to why we need an agreement Act in this case and what impact the agreement will have. I am well aware that the die is cast with this agreement; it cannot be changed by the Parliament. However, the Parliament can decide whether to approve an agreement Bill. I suspect the minister has the support of the Liberal Party in the upper House. Therefore, the Bill will be passed. It will be interesting to see which way the Greens (WA) vote. I am also interested to see which way the members for Bunbury and Collie will vote. When I was a minister, I opened a new facility for Pinetec. I was proud that a relatively new company in Western Australia was making great strides. The company indicated it was going to expand to Picton. I now understand it is going to Collie.

My questions concern the volumes of timber. In his second reading speech, the minister mentioned a volume of 4.125 million cubic metres being processed within a range of up to 250 kilometres from the plant. The resource was to be supplied until 2029, and then by agreement after that. The resource will be harvested over a 15 to 20-year period. Twenty years multiplied by 160 000 cubic metres totals 3.2 million cubic metres of timber. Compared with the volumes quoted, there is a shortfall of 920 000 cubic metres. I note that the agreement refers to a 250-kilometre radius. I expect the timber to come from Moora and Dandaragan, where maritime pine has already been planted. Maritime pine grows more slowly than *Pinus radiata*. It appears to me that the figures are somewhat rubbery. My support for this Bill is contingent on the minister giving sensible answers to the questions that I have outlined. Can the minister give some background about where the timber will come from? We know that around 3.2 million cubic metres, if we multiply 20 years by 160 000 cubic metres, will come from the Gngangara mound. Will the remainder of the timber come from the maritime pine project in the wheatbelt or from elsewhere? I note that the company will also have certain rights to an additional 90 000 cubic metres of timber per annum. This is where the Leader of the National Party raised his antennae, because the concern is about whether that timber will come from the resources that are being provided to other mills. It is not just Pinetec that has pine mills. Sotico has a mill at Mundijong, and also a number of small mills, one of which was in my electorate in Pemberton but has now been closed. It is important that the timber resource continue to be made available for those small mills.

I was a member of the Cabinet when we agreed to the Wespine agreement - the Wood Processing (WESFI) Agreement Act - which guaranteed a volume of 400 000 cubic metres of pine for the Wespine mill. My concern is that a lot of small mills around the State are not protected by an agreement Act. Therefore, in the event that there was a natural disaster such as a fire, a strong wind or a cyclone and a volume of timber was taken out of production, the people who had an agreement Act would be secure in their resource, whereas the people who did not have an agreement Act would suffer and might have their enterprise placed at risk because of an agreement Act that favoured a major player. I understand that the reason for guaranteeing a volume of 400 000 cubic metres of pine for Wespine - it is currently cutting about 300 000 cubic metres of that pine - is that its competitors in other States and other countries are cutting up to one million cubic metres of pine and have economies of scale and marketing arms, etc, that are making the pine industry very competitive.

I dare say that one of the reasons that Wesbeam wants an agreement Act is for the bankability of the project. I understand and support that. However, I am concerned about where that pine will come from, and about whether it will put other projects at risk. I have mentioned the members for Bunbury and Collie. I wonder whether they support this Bill and whether they will make a speech on this matter, because it is a very important matter for the south west, particularly when people are being dislocated out of the hardwood industry. It is vital that those people have jobs. I doubt that a Wesbeam mill at Neerabup will provide jobs for those people in the south west. Most of those people have chosen to raise their families in that area because they love living there, and they want to stay there. Also, there is a bit of a difference between cutting pine and cutting radiata.

Mr M.W. Trenorden: It is about 300 kilometres away too.

Mr P.D. OMODEI: It is actually about 400 kilometres away. When we consider that it takes at least 25 years for maritime pine to get to sawlog stage, I understand that in order for the company to have pine for its second rotation it will need to plant a resource or get access to a resource as of today.

I notice from the Bill that Wesbeam will be required to spend \$1 million a year to make the resource available. However, that does not need to happen until 2009. Why does that not need to happen until 2009; where will the resource come from; and what will be the impact on the other small mills and enterprises around the place? We have focused on Pinetec. The Sotico mill is very modern as well. Pinetec's new technology is world-first technology. Pinetec is being marginalised. The minister may say we are not talking about the same resource. If that is the case, I ask the minister to please say so, and I will be satisfied.

Mr M.W. Trenorden: We are talking about the same resource.

Mr P.D. OMODEI: If that is so, that is of concern to me, because Pinetec was very keen to go to the south west. I would like to protect the 20 000 cubic metres of timber that is now available because of the closure of the Penpine mill at Pemberton for a small operation in that locality. There is plenty of room on the Pemberton mill site for Auswest Pty Ltd to begin a pine project there. It would obviously have to do its numbers on whether it could be competitive and make a success of that project, particularly when it is competing against the big players. However, I am sure it will not be asking for an agreement Act. I am at a loss to understand why we need to have an Agreement Act for this project. Why can Wesbeam not have a contract that is based on 10-year renewable contracts, as we have in the hardwood industry? We seem to be making fish of one and fowl of the other, if I can put it in those terms. I reinforce that I am not against this project. The resource on the Gngangara mound is mature, and the harvesting of that resource will increase the water yield. Therefore, it will be a win-win situation. However, I want to know where the resources will come from, what the impact will be on the rest of the industry, and why we need an agreement Act for this project.

DR E. CONSTABLE (Churchlands) [5.57 pm]: I too support the Wood Processing (Wesbeam) Agreement Bill. I agree with other speakers that the development of this softwood plantation in the Gngangara-Yanchep region is an eminently sensible idea, for a number of reasons. Those reasons have already been outlined, but they include revenue for the State; jobs, which are very important; and the freeing up of a water resource in the future, which is of crucial importance to the metropolitan area, and the environmental benefits that will result.

Earlier in the week, I was fortunate to receive a briefing from officers from the office of the Minister for State Development. During that briefing a number of questions were raised to which I have yet to get answers, so I will put those questions on the record and hope the minister will be able to provide those answers in his summing up or during the other stages of the debate. The first question that I asked is what is the size of the pine plantation in the Gngangara-Yanchep region in hectares; namely, what is the total area that is covered by that plantation? I am also interested in knowing - I did get the answer, but I want it to be confirmed by the minister - what will be the annual net return to the State from this project. The figure that was suggested the other day was \$8 million, but I understand the project involves some costs to the State and the net return may be less than that. Most of the concerns that I raised the other day were related to the management of the land once it has been cleared. It is important to understand those aspects of this project. The project does not start and stop with this agreement Bill. Other matters are equally as important. I also want to know who will be responsible for the revegetation of this area. I am particularly concentrating on the Gngangara-Yanchep area. I understand that once the land has been cleared, it will be revegetated. It is important to know what the cost of that revegetation will be and whose responsibility that will be. I understand that it is a very large

area and it will be fairly costly to revegetate and maintain. I would also like the minister to give us some information about what measures will be put in place to protect the revegetated land in this area in years to come; by that I mean the protection of the Gnangara mound and the water that is so vital to the metropolitan area.

I also want to know what sort of buffer zone will be put in place to protect that water resource. I am particularly conscious of this because of my experience with what has happened to buffer zones in other areas. The buffer zones around waste water treatment plants in the metropolitan area have gradually been encroached upon. Those buffer zones were set aside in the early days to provide a buffer against odours, and for other reasons. However, successive Governments have sold off that land, and that has caused enormous problems for residents in the surrounding areas. I am particularly familiar with the buffer zone that was encroached upon by the development of housing around the Shenton Park waste water treatment plant, to the point where the development of houses in that area meant that for many years people could not go into their backyards in summer because of the odours from the plant. Had those people known that would happen, they would not have developed that land. My concern is that if we set aside buffer zones around and adjacent to the Gnangara mound and then in years to come Governments decide to sell off that asset and the buffer is encroached upon, we will have some problems with the water resource.

Sitting suspended from 6.00 to 7.00 pm

Dr E. CONSTABLE: Prior to the dinner break I spoke about the need to protect the Gnangara water mound as this area is developed and for future generations. One way to do that is to ensure that a buffer zone is put in place, so that the mound is protected at its perimeter. Another way is through the type of rejuvenation and replanting that occurs once the area has been cleared. A third way would be to lock in this large area of land in what is now the outer metropolitan area of Perth so that it cannot be touched by future Governments that might otherwise consider that revenue could be raised by developing in and around the area. I would like some reassurance from the Minister for State Development that this Government intends to make sure that no developers or Governments in 10, 20, 30 or more years time will see this as a potential source of revenue and, therefore, cause problems for the water resource, which is so important. I look forward to hearing the minister's response to the questions I raised before dinner, and to receiving an assurance that this land will be properly protected for future generations.

MS M.M. QUIRK (Girrawheen) [7.02 pm]: I take this opportunity as one of the three members on this side of the House who represent the northern suburbs to commend the Government and particularly the Minister for State Development and the Premier for their wholehearted support of this project. As members know, it is important that local jobs are generated. I am pleased to say that 140 jobs and training opportunities will be created in the northern suburbs through this project. We all know that the way of the future is to create jobs near where people live, because that will put less pressure on transport infrastructure and will not generate other unsustainable activities such as over-reliance on the car. It is also terrific in that it is the first time that some complementary employment will be created to cater for the LandCorp development at Neerabup.

I know that my colleague the member for Wanneroo, who is not here tonight, is a great supporter of this project. If she were here, she would definitely say that she is excited that this project is going ahead and that this legislation will facilitate that industry.

People who live in the northern suburbs are acutely aware of the sensitivity of the Gnangara mound and the need to recharge the aquifer. I understand that the clear-felling of these pines will enable about 36 gegalitres of water to be recharged into the Gnangara mound aquifer each year, and that is welcome. For all these reasons, on behalf of my colleagues who represent the northern suburbs, I commend the minister for progressing this matter and supporting the proponents of the project.

MR B.K. MASTERS (Vasse) [7.04 pm]: I firstly offer my support to this Bill and agreement. However, I am a little nervous about a number of issues, which I will briefly discuss. I hope that we will not end up with an agreement Act that will restrict the State's ability to do the right thing. That occurred with the Cockburn Cement agreement, which has basically forced the Western Australian Government to allow the dredging of shell sand north of Cockburn Sound to continue unless it is able to supply or find an alternative economic source of shell sand for that processing project. I have had a quick look at the Bill and the production contract that goes with it. Suitable protection appears to be offered by the force majeure clauses, so I am reasonably relieved that we will not, as a State, back ourselves into a corner from which there will be no escape. Nonetheless, I hope that when the time comes, the minister will be able to give a reasonable indication that this agreement and associated documentation will benefit not only the company, but also the people of Western Australia.

I need to respond to the bait that was thrown out in the joint media release of the minister and the Premier, dated 11 August. The release stated that this project would replace old-growth hardwood products, and that -

“This is great news for our finite old growth forest resource.”

If that is not a furphy of the first order, I do not know what is, because the product from these pine trees will at best be only a partial replacement for old-growth hardwood products that are used, for example, in construction. People want jarrah not only because of its strength but also its looks. Wesbeam Pty Ltd will begin its operations in 2004 or

thereabouts. I cannot imagine that people will suddenly say that they will want to use laminated pine rather than jarrah for things such as feature internal roof structures with exposed beams. Jarrah has a presence and creates an atmosphere that cannot be matched in any way, shape or form by laminated pine. If pine had been used instead of jarrah in this Chamber, it would have a somewhat different ambience. It is important to note that the clearing of pines from the Gngangara pine plantation has been on the cards for some years and is totally and absolutely unrelated to any decision by any Government to protect old-growth forests. That was a nice attempt by the Government to throw in a furphy, but it has unfortunately gone wide of the mark.

I have more important concerns. In the minister's second reading speech, he talked about the re-establishment of native bushland over the Gngangara water mound as the pine plantation is harvested. I am sorry that the former Minister for the Environment, the member for Kingsley, has left the Chamber, because I had a disagreement with her when we were members of the previous Government. As I understand the matter, the former chief executive officer of the Department of Conservation and Land Management suggested to her, without thinking, that the pine plantation should be replaced with native vegetation. My point to the minister was that native vegetation was just one option that should be considered. I even went so far as to say that the Government should seek tenders for the use of the land from which the pines will be removed, on the basis that it is looking for private or public sector input into what land uses might apply to that land, provided the water quality and the water volume will not be compromised. Clearly, as other people have said, we are looking to extract much more water from the Gngangara ground water mound after the pines are removed. I do not know what some of the alternatives might be to "re-establish native bushland" to use the minister's words. It may be possible, using trickle irrigation, to establish a world-class horticultural facility in which to grow Western Australian native plants or even exotic plants that can be harvested for their seeds, cut flowers or other attributes. Such a facility would use far less water than the pines use and the water quality could be maintained, because native plant species do not require high levels of nutrition. In Israel, for example, water is applied via trickle irrigation so close to the root system that virtually no water or associated nutrients escape. I am disappointed that both the previous Government and this Government have not looked for alternatives to the re-establishment of native bushland. I say that also because no-one has yet put a dollar per hectare figure on the cost of re-establishing native bushland.

Dr E. Constable: That was exactly my question.

Mr B.K. MASTERS: I am happy to support the member for Churchlands on that. The minister may be aware of the fact that in my electorate there is controversy over whether Cable Sands (WA) Pty Ltd should be allowed to mine an area that used to contain tuart forest and is now largely pine plantation. Cable Sands has estimated that the cost of re-establishing the tuart ecosystem is \$13 500 per hectare. The member for Churchlands asked an important question: how large an area is covered by the pine plantations? It is at least 10 000 hectares, and may be much more than that. If we work on 10 000 hectares at \$13 500 each, it amounts to \$135 million. I do not think this agreement will put even a fraction of that amount of money into the public purse. Therefore, like the member for Churchlands, I ask the minister to advise us who will be responsible for the re-establishment of native title bushland. More importantly, who will pay for it? Finally, why re-establish native bushland? There may be alternatives. It is appropriate that those alternatives, which I can only begin to guess, should be examined.

The minister also says in his second reading speech that the timber supply to the project includes the entire balance of resources available in the region. I am concerned that through this agreement Bill the Government may be committing to this one company every last skerrick of pine that is available in the State for potentially the next 50 years. Members of Parliament have problems predicting as far into the future as the next election. It is folly to predict that this will be the best use of a publicly-owned asset 50 or so years from now. It is also potentially very dangerous, because better uses for that wood could arise in future years. Although I agree that the company needs a 20 or 25-year term of security to ensure that it will get an adequate return on its investment, I am not so sure about the term extending beyond that without allowing the State reasonable capacity to use the timber resource for other things.

My final comment - I acknowledge the late hour to which the House will sit tonight - concerns paragraph E on page 4 of the Bill where it says -

... the Company proposes to spend \$1,000,000 during each Year of the Term commencing from 1 July 2009 on planting in the Timber Supply Area trees suitable for production of Timber Products.

My concern is the word "proposes". It is not a firm commitment. It simply suggests that the company might spend \$1 million if it thinks it should. There is no compulsion on the company to do that. I think the State will find it has no ability to force the company to spend \$1 million. Secondly, does the minister think \$1 million a year spent on establishing plantations within the supply area will be sufficient to meet the 160 000 cubic metre per annum supply of pines when that supply is required? Pines were planted on the Gngangara mound because it was a very good area on which to plant them. It had a lot of water available, it was close to Perth and the soils were easy to work. Those features and a range of others made it desirable to plant pines there. Up to 250 kilometres away from the Neerabup or the Gngangara water mound the country is very marginal. In the central wheatbelt the rainfalls are much lower and the soils are salinised. It would be much more difficult to grow pine trees in that area. The cost of growing a 160 000 cubic metre annual crop of pines may be much more than \$1 million a year, because that area will not be anywhere near as favourable as the Gngangara area.

The words “the Term commencing from 1 July 2009” cause me some concern. From 2009 the life of the contract will extend only for another 20 years. It may take close to 20 years in the environment close to Perth to grow a pine tree suitable for milling in this production process. However, further away in more marginal country it may take 30 or 40 years to grow a pine tree of the right quality and size owing to the adverse environmental conditions. That means that in the year 2029 or earlier there may be no public resource of pine trees available to allow the company to continue to operate; yet, in theory, it will have planted large areas of pines - that is, if it spends \$1 million a year as it has indicated it will. A large area of pines will require another 10 or 20 years to grow to a size that will allow the company to continue to use that resource. What will happen in that five to 20-year intervening period? I do not know the answer to that and I do not know whether the minister does. I highlight concerns that the minister and the Government should be aware of.

Aside from those concerns, the project is desirable. The pines in the Gngangara area should be removed and, for that reason, I support the legislation.

DR J.M. WOOLLARD (Alfred Cove) [7.19 pm]: I support this project but I will not support the agreement. I agree with the Leader of the National Party that the Government should be considering a contract rather than a state agreement. Members of Parliament should not be rubber stamping state agreements that have not had full parliamentary scrutiny and debate.

I am pleased that the plant at Neerabup will provide, I believe, 160 jobs in the area. However, that could be done with a contract rather than a state agreement. The Minister for State Development has signed this contract to supply timber for 27 years, with the possibility of renewing the contract for another 27 years. This timber is high-quality clear wood. It is beautiful timber that has had its branches pruned and has a bare trunk. This agreement is the third state agreement the Government has signed for plantation timber. I believe that for the past two agreements, we were getting paid 30 to 40 per cent less for pine plantation timber than was paid for pine plantation timber from the eastern States. The 1993 McCarrey report states -

- stumpage rates (royalties) of less than \$10/m³ to Wesfi for pulping grade pine logs to the Dardanup fibre board plant seem to be around \$7/m³ below comparable eastern states stumpage/royalty rates;

I was grateful for the minister's staff who briefed me. However, I would like to know how these stumpage rates have been worked out, because this is such good timber. I would like the figures used to be compared with the cost of the timber in the eastern States. Those figures have not yet been provided. I hope that the minister will provide those details at the consideration in detail stage.

In the Minister for State Development's second reading speech, he referred to the progressive clearing of the pine plantations over the next 15 to 20 years to support the project and the re-establishment of native bushlands.

I now refer to “Gngangara Park: A Concept Plan to identify the main issues and discuss proposed directions for the Park”, which states -

The original concept announced that 23,000 hectares of pine plantation would be replaced with native vegetation over a period of 20 years. A further 27,000 hectares of surrounding State-owned Banksia woodlands would create a major park.

The concept plan, which was produced by the Department of Conservation and Land Management in May 1999, states that the Gngangara regional park will be created in 20 years. With reference to productive capacity, page 69 of the current draft forest management plan, which was prepared by the Conservation Commission of Western Australia, states -

An example is the plantations at Gngangara (north of Perth) that will be progressively revegetated to native species following their final harvest.

Mr J.B. D'Orazio: Just tell us you support it.

Dr J.M. WOOLLARD: No, I do not support it. The third management action plan on page 122 states in part -

Sustain the productivity of plantations on State forest by replanting suitable areas after harvest and through application of ‘Code of Practice for Timber Production in Western Australia’, except where it has been determined by Government that it will be returned to native vegetation . . .

However, that is following the final harvest. When will the final harvest be for this plantation? When can the people expect native plantations to be grown? Will it occur in 27 or 50 years?

I am happy that the definition of “timber” in the schedule to the Bill states -

“**Timber**” means timber of the genus pinus and the species pinaster or radiata or other species agreed in writing by the Commission and the Company from time to time . . .

I am concerned about what those other species will be. I would like a commitment from the minister that the other species will be plantation timber. A few years ago in Tasmania, old-growth forests were logged to make way for

plantations. I would not like our state forests to be logged for plantations because of the state agreement the Government has signed. I am also worried that the Government -

[Quorum formed.]

Dr J.M. WOOLLARD: I would like the definition of "timber" to be amended to mean timber of the genus pinus and the species pinaster or radiata or other plantation species agreed, and so on. I was informed that because the agreement has been signed, the word "plantation" cannot be included. In the future, Wesbeam Holdings Ltd may find a use for marri. What would stop the Government from allowing Wesbeam to use our marri trees?

I am also concerned that the Bill basically gives Wesbeam carte blanche to transport timber. I find that amazing. Currently, the Government is considering using rail as an alternative to road transport. Yet, when one looks at the draft Harvey schedule for laminated veneer lumber, between 2009 and 2027 more than 35 000 cubic metres of logs will come from the central forest region. Even if a railway were there, there is no way that we could encourage Wesbeam to use that rail transport because we have signed the state agreement. That means that those heavy trucks will be on our roads.

A government member interjected.

Dr J.M. WOOLLARD: The member may well wish that.

I am also concerned that the annual amount is stated to be an initial 160 000 cubic metres a year but could include an extra 90 000 cubic metres. Wesbeam could therefore demand 250 000 cubic metres of pine annually from the State over the next 27 years. As previous speakers said, we do not know whether the value that we are getting currently from these premium logs - these beautiful trees - is appropriate compared with the values in the eastern States. What will happen in five to 10 years when the value of these logs could be higher? We will then be wasting community resources and community money. I am very unhappy that this agreement gives this company, Wesbeam, 250 000 cubic metres annually for the next 27 years and possibly another 27 years after that.

We have heard that one of the reasons for the Bill relates to the Gngangara mound, which supplies 135 000 gegalitres of high quality water to Perth's ground water supply. Again, I ask the minister: although it is high quality water, what will happen if we find that with the thinning of this plantation the quality of the water starts to deteriorate over time? There will be absolutely nothing the Government can do. That means we will have damaged 135 000 gegalitres of Perth's water supply.

Mr B.K. Masters: How could the removal of pines damage the underlying water supply?

Dr J.M. WOOLLARD: We will have to wait and see. We have no idea what will happen when those pines are removed. It is possible that the pH level will change or something may happen to otherwise affect the water quality. If for any reason the quality does decrease, there is nothing we can do. The community has no option with this state agreement; it must keep its side of the bargain. I am concerned that the community will miss out. By signing this state agreement Bill, we are bypassing planning and environmental laws. We are giving the community no right to have a say in what will happen in this vast area for the next 27 years.

I will not support the Bill. Who will benefit from the Bill? Will we get a good price? What will happen to the resources? I have listed several problems, including the transport problem and what will happen with the water. I am very disappointed that the Government has signed this state agreement. My name certainly will not go on the record as having supported this Bill.

MR J.L. BRADSHAW (Murray-Wellington) [7.35 pm]: I support the Bill, as it will enable the industry in the northern suburbs to get going. However, there are a couple of points I would like the minister to clarify. What will be the size of the buffer for this project? Over the past few years, buffers have become very important to me as a member of Parliament. Some years ago in Dardanup, which was part of my electorate at the time, WESFI Ltd decided that it would change from a Monday to Friday operation to a 24 hours a day, seven days a week operation; therefore, it decided that it needed a bigger buffer around the plant. That created some problems at the time. In the past few years, a similar situation has arisen with Alcoa in Wagerup. It set up its plant under certain conditions and the buffer has proved insufficient. Now Alcoa is in the process of increasing the buffer zone. What sort of buffer will be put in place for this business? Even though the project might start off under certain circumstances, there is a good chance that, like WESFI and Alcoa - which have increased production and their circumstances have changed - a reasonable buffer will need to be put in place to protect the people living nearby who may be encroached upon by the business. I would like the minister to tell us how big the buffer will be and whether it will be sufficient for future expansion, should that occur.

Secondly, I believe that 80 per cent of the timber production will come from the Gngangara pine plantation and the other 20 per cent will come from somewhere else. Where will that 20 per cent of the timber come from? If it is to come from the south west, which I feel it will, it will create a problem on the roads, with trucks travelling from the south and through the metropolitan area to the northern suburbs. If the timber is to come from the south west, what route will it take and how many trucks a day does the Government envisage will travel along that route under those circumstances?

This business might start off under certain circumstances. It might start with a particular number of loads, but in 10 years suddenly decide that it wants to double production and needs double the amount of timber from the south west,

for example. It may even need to be more than double the amount of timber from the south west if the business cannot get the extra timber from the Gnangara pine plantation at the time. It is important to work out a route that will cause the fewest problems to the people of Perth. We need to know the answers to these questions so that we know what sorts of problems might arise in the city of Perth.

MR C.M. BROWN (Bassendean - Minister for State Development) [7.39 pm]: I thank members for their contribution to the debate, and I thank those members who have supported the Bill. I will briefly deal with as many of the matters raised as I can. The Leader of the Opposition, in his remarks, gave an accurate background to this Bill and recognised a number of people who have played a part in this process, including Denis Cullity. On the day that the Government was fortunate enough to make the announcements, Denis Cullity made what can only be described as a very significant speech about the history of the timber industry in Western Australia. He did that with very few notes and showed a huge wealth of knowledge of the history of the State. It was pretty educational for most people who were there and who did not have that depth of knowledge.

I will deal with some of the matters that have been raised. The Leader of the Opposition raised the question of the additional 90 000 cubic metres of timber referred to in the Bill. The company was very keen to have that provision in the Bill, although the Forest Products Commission believes that that timber is not available and will not be able to be made available. Nevertheless, the company wanted included in the Bill that if additional timber became available, it could have first option on that additional timber to grow its business.

Mr C.J. Barnett: Does that additional timber relate to state forest or Department of Conservation and Land Management timber only?

Mr C.M. BROWN: It relates to timber of the type described in the state agreement that is available through the State. It relates to only that.

Mr C.J. Barnett: Therefore, it does not have any implications for a private plantation.

Mr C.M. BROWN: That is my understanding, and I have been given the indication that that is correct. As I said, my understanding is that the Forest Products Commission is of the view that that timber will not be available. There is no obligation under the agreement to provide that timber if it is not available. If it is available, there is an obligation to give the company first option on it. If it declines that option, the timber can be used elsewhere. However, the general view of the Forest Products Commission is that that timber will not be available.

I refer to the second 25-year contract. Under the state agreement, there is no automatic rollover. There is no obligation on the State to provide the timber for the next 25 years. There is an obligation to go through a renegotiation process towards the end of the first 25 years. However, again, if the timber is not available, there is no obligation on the State to make it available.

The Leader of the Opposition also referred to the time frame in the agreement. It is true that the time frame is extraordinarily tight. There are, of course, the standard provisions in the state agreement to enable the agreement, and the sorts of milestones in it for getting the agreement in place, to be put back by agreement between the company and the State. Obviously, the time frame is tight, but there is a real desire by the company to get on the job, so to speak. The company is keen to get the project under way. We certainly support that and hope that we can get a level of agreement to do that.

The Leader of the National Party made a number of comments about not only this project but also another company called Pinetec Ltd. Pinetec is a very good company in my electorate. I do not resile from any of the comments I made when in opposition. The Government has been working with that company for some time. It is true that we have not been able to resolve some of the matters that have been raised with us by that company. However, we are hopeful that we will be able to work through a resolution that both Pinetec and the State will find mutually acceptable.

The Leader of the National Party referred to the possible future location of the sawmilling operations of Pinetec at Collie. The member for Collie is a strong advocate of his region, and he is constantly pressing for developments in Collie. He has lobbied me about that matter. Ultimately, the State cannot absolutely insist on where projects go. They must be viable, and make an appropriate return to their shareholders. The State can seek to influence the decisions of companies, but it cannot insist on the location. The Leader of the National Party also referred to the equal treatment of companies. I agree with that, and I do not move away from it. He referred to the fact that the Government was picking winners. I hope, with the Wesbeam proposal, that the Government has picked a winner, but that does not mean that it will not also seek to pick a winner with Pinetec, when we are able to reach a conclusion.

The Leader of the National Party also raised the question of the prices for the wood. While I cannot tell him the prices that have been negotiated, the price made available to Wesbeam is not lower than the price of wood of similar quality made available to other major projects. There is no discount for Wesbeam, and that is how it has been negotiated. The member for Warren-Blackwood raised the question of timber volumes, and did some calculations and worked out where the timber would be coming from. Obviously the bulk of the timber would be coming from Gnangara and from other areas in close proximity to the metropolitan area. If the member wishes to ask the question again at the consideration in

detail stage, I will be happy, with my advisers present, to give the precise locations. The member for Vasse asked whether this agreement would take every pine resource out of the State, leaving no resource for anybody else. It will not do that. Other companies that are currently seeking pine resources will be able to get them. This arrangement will not allocate every pine resource in Western Australia to one company and lock everybody else out. The member for Warren-Blackwood raised the question of the pine sawmill operation in his electorate, and inquired whether the allocation of that mill had been in any way affected by this agreement. The answer to that question is that it has not been affected. This agreement does not reallocate that mill's resource to Wesbeam.

The member for Churchlands raised the question of the area of the timber resource, and the member for Alfred Cove referred to the "Gnangara Park Concept Plan", which referred to the replacement of some 23 000 hectares of pine plantation with native vegetation over 20 years. That is the approximate size of the pine plantation. That concept plan refers to some strands of pine being left; but, by and large, the area will be cleared.

Questions were raised about buffer areas and how the land is to be treated. This is an agreement between the State of Western Australia and Wesbeam Pty Ltd for the supply of logs to that company. It is not a planning document that sets out zones and so forth for the Gnangara pine plantation.

Some further examination is being made about the nature of the replanting and revegetation of native flora in that area. The key for Perth is water supply. That is a very high priority for Perth. One of the things that is being considered is what sort of native vegetation - please do not ask me about the technicalities, because it is beyond my scope of knowledge - will allow us to get maximum draw to replenish the aquifers. That work is ongoing among people with far more knowledge than I about how to get that outcome.

The question was asked whether there was any notion on the part of the Government that the area should be sold off for housing stock or whatever. Nothing has crossed my desk on that. If additional water can be made available to us as a result of clearing the plantation, that will be the No 1 priority.

Dr E. Constable: I want to know how much it will cost to revegetate. If, at the same time that we are making \$5 million a year, the cost to revegetate is greater than that, there is not much point in it.

Mr C.M. BROWN: I am told that the income to the State will be of the order of \$8 million a year.

Dr E. Constable: We were told that the other morning, and then it was revised to \$5 million or \$6 million.

Mr C.M. BROWN: It is of the order of \$8 million, of which the running costs are about \$3 million.

Dr E. Constable: So you are talking \$5 million?

Mr C.M. BROWN: Yes. In all this, some further work must be done by the professional officers, who have far more knowledge than I of what is appropriate. We are looking not only at native revegetation but at how best to replenish the aquifers.

Dr E. Constable: I would hope it would be cost neutral at least.

Mr C.M. BROWN: One would hope so, and we are conscious of that. Equally important is that the more water we are able to get through recharge the less we have to spend on building extra dams, desalination, or whatever it will be. There are opportunity costs that should be matched into this equation as well. There are a range of factors, and I do not profess to know all of the details.

Dr E. Constable: I wish you did.

Mr C.M. BROWN: I am sorry about that, but it is not within my area of knowledge.

Dr E. Constable: It is a pity that you have not thought through the consequences of the agreement.

Mr C.M. BROWN: There is no question that the agreement has been well thought through. The first step of the process is taking out the pines. If we do not take out the pines, there will be a huge draw on the aquifer. The idea is to take out those pines at a rate that will return something to the State through payments and economic benefits. The state agreement has been well worked out.

Some of the scientific matters about the nature of the vegetation, the draw and all those sorts of things are still being debated by the experts. It is not a question about the thrust. The thrust is clearly there. The question of the technicalities -

Dr E. Constable: I am not denying that. My concern is the ongoing cost to the State of revegetating and so on. Will we make any money out of this?

Mr C.M. BROWN: Well -

Dr E. Constable: You do not know the answer.

Mr C.M. BROWN: If the total cost is considered, including opportunity cost and all the rest, we will make money out of it.

Dr E. Constable: I would like that quantified.

Mr C.M. BROWN: The member is asking whether a complete economic model has been drawn up.

Dr E. Constable: If you were a commercial entity, you would have done that. As a Government, you have not.

Mr C.M. BROWN: No; the most important thing is that, as we all know, the pines are a huge draw on the water supply. The idea is to remove them.

Dr E. Constable: I do not question that.

Mr C.M. BROWN: That is the first port of call. We have received advice from the Forest Products Commission about what can be charged. The price reflects the quality of the timber. We have negotiated a commercial rate of return at prices that compare with those available for timber of that quality from other sources. My advice is that Wesbeam is not getting a bargain-basement price.

Mr M.W. Trenorden: How can we be sure of that?

Mr C.M. BROWN: All I can say is that these prices have not been negotiated by politicians. They have been negotiated by professional officers. In my dealings with the professional officers, particularly those in the Forest Products Commission, I have found that if they can make an extra dollar for the Forest Products Commission, they are very happy to do that. They are very happy to get the best rate of return.

Mr M.W. Trenorden: You know as well as I do that that is not the argument. I agree that you should not tell me the price; however, you should be able to tell me the criteria.

Mr C.M. BROWN: I have outlined the criteria. The member should consider the price that is being paid by other major producers. Given the quality of the timber being provided, the price Wesbeam is being charged is comparable.

Dr J.M. Woollard: Will you table the benchmark you used?

Mr C.M. BROWN: The member will appreciate that I am not able to table the prices of any of those things.

Dr J.M. Woollard: I am referring to the benchmark you used for the stumpage rate - for the 19 centimetres at \$20 to the 50 centimetres at \$60. Those stumpage rates must have resulted from a comparison with something. Did you compare apples with apples or apples with pears?

Mr C.M. BROWN: We compared this producer with other Western Australian producers. We are not comparing the producer with one in the eastern States or in some other country. We are comparing Western Australian producers with Western Australian producers.

Dr J.M. Woollard: You are admitting that we might not be getting value for money.

Mr C.M. BROWN: Unless the member is suggesting that successive Governments over long periods have been duped into charging prices that are too low -

Dr J.M. Woollard: They have been in the last two state agreements.

Mr C.M. BROWN: That is a view. My advice is that the prices being charged under this agreement are comparable in both quality and amount with the prices other Western Australian producers are charged. I have no reason to doubt that advice.

Finally, the member for Alfred Cove asked whether the agreement is about pine or some other timber. We are talking about pine. I give her a commitment on that.

Mr M.W. Trenorden: Will I be able to find in *Hansard* the answers to my questions?

Mr C.M. BROWN: I always answer the Leader of the National Party's questions.

Mr M.W. Trenorden: I will take the minister's word on that. I am happy to read *Hansard*. I am sorry I could not be here.

Mr C.M. BROWN: I dealt with the Pinetec Ltd issue. I do not resile from any of the comments I made about Pinetec Ltd when in opposition. We have been talking with Pinetec, but I cannot disclose in open forum what those discussions were about. Pinetec is a great company.

Mr M.W. Trenorden: Do you have sympathy for the letting of a 20-year contract or something like that?

Mr C.M. BROWN: I would like to see Pinetec continue to grow. I would like to see us conclude an arrangement with Pinetec that the company and the State finds acceptable. I cannot say much more than that. I am in support of the company. When the member for Warren-Blackwood was the Minister for Forest Products he visited the electorate and opened some vacuum-treating process at Pinetec. I was present during his visit. That company obviously must be dealt with professionally and appropriately and I will do my best to ensure that occurs.

Mr J.L. Bradshaw: Can the minister tell us about the buffer zones and the number of trucks?

Mr C.M. BROWN: As I said before, buffers and areas set aside are matters for a planning process. This is an agreement between the State and a company about the taking of pines and the commercial arrangements in relation thereto. This is not about a planning process.

Mr J.L. Bradshaw: I believe that should be in the state agreement. We have had so many problems with buffers or lack of buffers.

Mr C.M. BROWN: The state agreements that the member is referring to are agreements that set lines on a map and indicate areas in which a whole range of things can be done. This state agreement is about the provision of a certain amount of pine that will primarily come from Gngangara but may come from other areas. It is not the type of state agreement that the member and I have discussed, the type that clearly defines areas and gives absolute rights to a company within the confines of those nominated areas.

Mr J.L. Bradshaw: In other words, the minister is saying that this agreement may not go ahead if the company cannot get the proper planning approval.

Mr C.M. BROWN: No. A lot of state agreements permit access to a particular envelope. This state agreement indicates a guaranteed supply of timber. We know that most of that timber will come from the Gngangara plantation, but not all of it. The company can draw from certain areas within a 250 kilometre radius. A guaranteed supply of timber is different from a guaranteed area of land for a mining operation.

Mr J.L. Bradshaw: On what land will this factory be established?

Mr C.M. BROWN: It will be set up on an industrial estate at Neerabup, which estate will also be used for other factories.

Mr J.L. Bradshaw: Does it have a fair buffer zone?

Mr C.M. BROWN: It is an industrial estate and it will be like other industrial estates such as Kemerton.

Mr J.L. Bradshaw: Where will the trucks be coming from and what will be the number?

Mr C.M. BROWN: I do not have those figures with me; I will check if they are available.

Dr J.M. Woollard: What will be the annual yield from the plantations and when does the minister think the plantation period will finish so that rehabilitation of the area can commence? For how many years will the plantation cycle continue?

Mr C.M. BROWN: The yield does increase. In the five-year period from 2004 to 2009 the yield is 800 000 cubic metres, from 2009 to 2014 it is 800 000 cubic metres, from 2014 to 2019 it is 850 000 cubic metres, from 2019 to 2024 it is 875 000 cubic metres, and from 2024 to 2029 it is 875 000 cubic metres. The annual yield can be calculated by dividing each of the quantities by five. Of course the yield might increase a little one year or decrease a little in another, but, in general terms, I imagine the yields will be about the same for each of the five years.

Dr J.M. Woollard: The Gngangara park plan and the forest management plan referred to time frames. The forest management plan indicated that the area might cease to be used as a plantation resource after 60 years. When will the Government start to rehabilitate some of that land?

Mr C.M. BROWN: I see that happening as soon as possible, not at the end of 60 years. I am not skilled in the technical aspects of buffers or how much time is needed for the soil to break down after pines have been removed. However, the Government will not wait 25 years before it does anything. I will get more advice on that, but my understanding is that the rehabilitation process will start. As for the technicalities of the process that must be gone through and when planting can take place, I do not have the skills or the knowledge to explain that in detail.

Dr J.M. Woollard: The community is interested in not only the time period but also the process that will be used for rehabilitating that land, because the Department of Conservation and Land Management in the past has wanted to use a toxin, which would be a water contaminant. I would therefore be interested to know the process that CALM is planning to use.

Mr C.M. BROWN: Many people will be interested in that, particularly those at the Water Corporation. I venture to suggest that if CALM or anyone suggested anything that would lead to a contaminant, the Water Corporation would come along with a fairly large stick ready to let them know that they could not go ahead with it.

Dr J.M. Woollard: Would the Water Corporation be able to do that, as this is subject to a state agreement?

Mr C.M. BROWN: Yes. The state agreement relates to the removal of the trees to the company; it does not relate to what happens to the land. That is a matter for the State to determine. With those comments I seek the support of the House.

Question put and a division taken with the following result -

Ayes (37)

| | | | |
|-------------------|--------------------|---------------------|---------------------------------|
| Mr P.W. Andrews | Mr B.J. Grylls | Mr W.J. McNee | Mrs M.H. Roberts |
| Mr C.J. Barnett | Mr S.R. Hill | Mr A.D. McRae | Mr D.F. Barron-Sullivan |
| Mr M.F. Board | Mr J.N. Hyde | Mr N.R. Marlborough | Mr D.A. Templeman |
| Mr J.L. Bradshaw | Mr J.C. Kobelke | Mrs C.A. Martin | Mr M.W. Trenorden |
| Mr C.M. Brown | Mr R.C. Kucera | Mr B.K. Masters | Ms S.E. Walker |
| Dr E. Constable | Mr F.M. Logan | Mr M.P. Murray | Mr P.B. Watson |
| Mr A.J. Dean | Ms A.J. MacTiernan | Mr A.P. O'Gorman | Ms M.M. Quirk (<i>Teller</i>) |
| Mrs C.L. Edwardes | Mr J.A. McGinty | Mr P.G. Pandal | |
| Mr J.P.D. Edwards | Mr M. McGowan | Mr J.R. Quigley | |
| Dr J.M. Edwards | Ms S.M. McHale | Mr E.S. Ripper | |

No (1)

Dr J.M. Woollard (*Teller*)

Question thus passed.

Bill read a second time.

*Consideration in Detail***Clause 1: Short title -**

Mr J.L. BRADSHAW: I was not very happy with the minister's response to my questions about the buffer. I would like to know also whether the remaining 20 per cent of the timber will come from the south west, the north west or the east, because that will have an effect on the number of trucks that will be travelling through the metropolitan area. I would like to know also what contingency plans have been made in case it is proposed to expand this project, because that is what tends to happen if a project is successful. There were problems with WESFI in Dardanup and Alcoa of Australia Ltd at Wagerup when those companies decided to expand their production.

Mr C.M. BROWN: The zoning for the plant is outlined in clause 10(1) of schedule 1 of the agreement, which states -

The State must ensure after consultation with the relevant local government that the Site (and the Additional Area while the company has the option to purchase it under the Option Deed and also if it is purchased by the Company as a consequence of the exercise by the Company of such option) will be and remain zoned for use or otherwise protected during the currency of this Agreement so that the activities of the Company hereunder may be undertaken and carried out thereon . . .

Subclause (2) states -

The State must ensure that the zoning of the land shown outlined in blue on the plan marked "A" . . .

The zoning for the company site will be done after consultation with the relevant local government authority. Eighty per cent of the timber will come from Gngangara, 10 per cent will come from the hills and 10 per cent will come from South Myalup-Peel. It will be trucked on the heavy haulage routes that are available in the metropolitan area.

Dr J.M. WOOLLARD: Will the minister table where the 240 000 cubic metres of timber per year for the next 27 years will come from? How much of that timber will come from Gngangara and how much will come from other areas?

Mr C.M. BROWN: As I have just explained, 80 per cent of the timber will come from Gngangara, 10 per cent will come from the hills and 10 per cent will come from the Myalup-Peel plantations. That is sufficient. The company wanted an option for the additional 90 000 cubic metres. It is the view of the Forest Products Commission that the timber will not be available; however, the company was keen for that option to be open to it should the timber become available. There is no obligation under the agreement to supply the timber, and as far as the Forest Products Commission is concerned at this time, that timber will not become available. Nevertheless, because the company was keen to have that option in the agreement should the timber become available, the State was prepared to include it. That provision does not require the provision of that timber.

Clause put and passed.**Clauses 2 to 4 put and passed.****Schedule 1 -**

Mr C.J. BARNETT: Clause 3 of the schedule relates to the ratification and operation of the agreement Act. Clause 3(1) provides that the State will -

. . . endeavour to secure its passage as an Act prior to 26 September 2002 or such later date as may be agreed -

That time frame is clearly too short, given that today is 12 September and this clause states that the Bill should be passed by 26 September. The Government has the cooperation of the Opposition on this Bill; nevertheless, we must

consider the reality of the passage of Bills through the Parliament. It is unreasonable to put this sort of requirement on the State or the project. Indeed, the schedule for construction, with a start date of 31 December, is unrealistic. It might occur three or six months later.

Perhaps the officers can advise me on my next point. I am not aware of any agreement Act, certainly not one that has been passed during my time in this place, although I may be incorrect, that actually presumes to place in the schedule something about the parliamentary process. I am not having a go at the minister; I am simply making an observation. It is not good form. I do not think that legislation of any form should presume to place in its text anything about the parliamentary process, because the role of Executive Government is to bring legislation before the Parliament for it to accept or reject. I know that it was not intentional, but in a sense it was presumptuous. That is not a personal comment. It would be wise for the wording of legislation not to presume parliamentary process.

Mr C.M. BROWN: I appreciate the comments made by the Leader of the Opposition. All I say on this matter is that, like all these projects, there are certain time frames and windows of opportunities. The Leader of the Opposition probably knows more about that than I. The proponents are very keen. I know that they appreciate the support of the Opposition on this matter. Perhaps the date is a bit optimistic, as the Leader of the Opposition has said. I take that on board.

Mr C.J. Barnett: It is optimistic, and I know you can deal with that. The point I am making, and I ask you to not take offence, is that I think it is presumptuous to assume parliamentary process. I do not think it is good form in terms of drafting legislation. Had this matter been controversial, that would have been a reason for the Opposition of the day to arc up. You would have had a major debate, which you would not have needed.

Mr C.M. BROWN: That is true. I am aware of the views expressed by the Leader of the Opposition. When we referred to time frames in the debate on the Mineralogy Pty Ltd state agreement, we were aware of the balancing act required to maintain the enthusiasm of proponents and the realities of Parliament; nonetheless, I take the point.

Mr C.J. BARNETT: I do not mind that the time frame for the start of construction is 31 December, given that the passage of time for negotiations or whatever else is unlikely to be achieved. It is three months later and not a great problem in the scheme of events. However, I ask the minister to pass back to Crown Law or the Department of Mineral and Petroleum Resources that it is wrong for an executive arm of government to try to offer by way of agreement or negotiation anything about the operations of this Parliament. It amounts to the Executive exceeding its rights. Under our Westminster system the Executive can bring forward legislation; it cannot pass it. The Executive cannot commit this Parliament to anything. The minister has signed an agreement that commits the executive arm of government, which is quite proper. However, he has also effectively committed the Parliament. A minister cannot do that. I am surprised that Crown Law allowed that to happen. I do not object to what the minister is trying to do. However, I do not think this arrangement has appeared in previous agreement Acts. I suggest that someone on the minister's staff advise Crown Law that it should not allow elements in legislation that commit this Parliament; that is not proper for the Executive.

Mr C.M. BROWN: I take on board the Leader of the Opposition's comments and the spirit in which they are made.

Mr C.J. BARNETT: The plant is to be designed to take 160 000 cubic metres a year of timber. What will be the commissioned production level of laminated veneer lumber from this plant? How long is it expected to take to reach full production? What, if any, other products may be produced from this facility?

Dr J.M. WOOLLARD: Can I refer back to schedule 1 page 8?

The SPEAKER: A member can refer to any part of the schedule.

Mr C.M. BROWN: The types of timber products being considered are in the definition -

"Timber Products" means laminated veneer lumber, dry veneer, plywood and I-joists and such other allied products as the Minister may approve from time to time for the purpose of this Agreement.

The Leader of the Opposition asked how quickly and to what level they will increase. The intention under the schedule is that they reach 600 000 cubic metres for the five years 2004-09, which is 120 000 cubic metres a year. From 1 July 2009 for the next five years they will increase to 800 000 cubic metres, which is 160 000 cubic metres a year. Although there is no requirement for it, the Government has urged the proponent to ramp up the yield as quickly as possible. Obviously we want to get the biggest cut possible to get the pines off the plantation. The proponent has indicated verbally that if it can cut more it will do so earlier up to the maximum amount.

Mr C.J. Barnett: Presumably that will be determined by the proponent's ability to sell the product.

Mr C.M. BROWN: The minimum obligation is 120 000 cubic metres a year. If it can increase to 160 000 cubic metres a year sooner, it will.

Dr J.M. WOOLLARD: I did not want to refer again to the definition of "timber" and I believe that no changes can be made to the Bill at this stage. However, where the Bill states that the definition of "timber" -

means timber of the genus pinus and the species pinaster or radiata or other species . . .

I would like that to have read "or other plantation species". Is it possible to make that amendment?

The SPEAKER: My understanding of an agreement Act - I suppose the minister should answer this question - is that it is not possible to amend it.

Mr C.M. BROWN: It is not possible to amend an agreement because the agreement is between the State and the proponent. However, as I said in answer to the member's questions during the second reading debate, this Bill is about pine; it is not about using native forests or whatever. I can stand here and look the member in the eye and give her an unequivocal commitment, without any hesitation, that it refers to pine, pine and only pine.

Mr C.J. BARNETT: Clause 5(5)(a) refers to the supply of 50 000 cubic metres to a third party from the timber supply area. I would like an explanation of what might be foreshadowed or feared so as to include this reference to third parties. What circumstance might bring this clause into effect?

Mr C.M. BROWN: This is the mechanism in the agreement to operate the most-favoured nation clause. I am sure the Leader of the Opposition is familiar with those types of clauses. My legal advice is that it is a complex clause. It is intended to operate as a most-favoured nation clause to ensure that the State does not sell to a competitor an equivalent product so that the competitor buys the product at a lower price from the State and can compete against Wesbeam Holdings Ltd. If the State does that, it is required to offer the same terms and conditions to Wesbeam as it offered to the competitor at that lower price.

Mr C.J. BARNETT: I refer to clause 6. The minister said that during the initial 25 years of the agreement, the proponents wanted access to a further 90 000 cubic metres if that resource is available. The agreement refers to a further 25-year contract and access to further resources. When I was a minister, the Cockburn Sound agreement for the production of cement gave the Government of the day a lot of difficulty, and probably gives this Government a lot of difficulty also. Dating back to the time of Sir Charles Court, an agreement had been reached that Cockburn Cement Ltd would have access to shell sand for the production of cement at Cockburn. A clause stated that if the shell sand was no longer available, the State would find it from some other source. I do not know how many hundreds of hours I spent looking for other sources or other ways around that clause. Something that seemed innocuous back in the 1960s proved to be something of a plague in the 1990s. Will history repeat itself and will a future minister - I presume Liberal - sitting in the minister's position find himself trying to explain how he will find this future resource which is not available, not growing and not even planted? Why would the department contemplate any obligation into the future, given the history of the Cockburn Cement agreement?

Mr C.M. BROWN: The clause recognises that the resource may not be available. If the resource is not available, there is no obligation on the State to roll over the next 25 years; therefore, the agreement would effectively come to an end. If the resource is available, the agreement puts an obligation on the State to negotiate for the next 25 years. That means, in 25 years, the State is obliged to enter into negotiations on the available resource if there is an available resource. If there is no available resource, there is no obligation on the State. If there is an available resource, it must be determined and the company must meet certain conditions on that available resource.

Mr C.J. BARNETT: I do not know how that clause came about. It may well have had its origins in the time of the previous Government. I am therefore not making a political comment. In looking at the clause now, I cannot recall in my time any discussion about that issue but I am not saying that did not happen. However, it is not wise to be making any reference to something that is 25 years-plus down the track. The reality is that this is an \$80 million project. The company would have done its sums and if there is a market and the price is good, it will be well and truly paid within 10 years, and probably within five or six years. I do not see the necessity for the State to contemplate discussions beyond 25 years and beyond the exhaustion of the current Gngangara resource plus 20 per cent from the south west. I am not objecting to it but I believe it is a mistake. I do not believe the State should have even started talking about that. A smart group of lawyers may argue that the State should have been doing something in the early part of the century to provide that resource. Who knows what legal argument there might be at some stage? It is a weakness of the agreement and I do not know the origins of that clause. As the minister said, there is no real commitment by the State, but why is it there if there is no real commitment? I believe it creates an unnecessary legal risk for the State.

Mr C.M. BROWN: I will explain the rationale for it. The agreement turns on the question of the company's spending \$1 million a year on plantings; that will occur therefore by 2009. For 20 years there will be \$20 million worth of plantings, which will give the company the option, if the resource is there, of accessing that resource. In other words, if the company is putting in the money, it wants to have the opportunity to access the resource when it gets to that time.

Mr C.J. BARNETT: I refer to page 20, clause 6.(2)(b), relating to the point just made by the minister, which states -
the Minister is satisfied that the Company has spent not less than \$1,000,000 per Year . . .

That obviously refers to growing timber. I have a very simple question to which there may be a simple answer. Given that we are talking about 2009 and \$1 million may sound like a fair bit of money today, I suggest that it will not sound like that by 2009. Is that figure indexed? If not, why was it not specified in acreages of plantation?

Mr C.M. BROWN: The amount is not indexed. It is true that over time the real value of that amount will fall. Nevertheless, it is intended that a number of things will be done with the plantings not only to provide future stock but also to plant them in areas that can have a beneficial environmental impact for the State.

Mr C.J. BARNETT: I turn to page 31 of the Bill, and the stamp duty exemption. It indicates that the State will exempt from stamp duty the agreement, the contract of sale, the production contract and concurrent contracts. As I said during the second reading debate, to me that is a subsidy. I do not necessarily disagree with that. When I was the minister, I gave concessions on royalties and all sorts of things. However, when I saw that exemption, I could not recall any other example of a stamp duty exemption being given. In most mining agreement Acts, there is a stamp duty exemption that allows a barleys period if a project is developed and ownership changes on commissioning, which makes some sense. However, this seems to be a blanket stamp duty exemption. Can the minister or his officers provide an example in which a similar clause has applied previously?

Mr C.M. BROWN: That is a good question. When the Leader of the Opposition flagged this issue during the second reading debate, I tried to rack my mind on the matter.

Mr C.J. Barnett: That would be an unrewarding experience!

Mr C.M. BROWN: Thank you very much! I think the Leader of the Opposition is right about the exemptions. This is an unusual provision. I know my ministerial colleague who is sitting very close to me at the moment does not like provisions such as this. It is probably unlikely to occur in future agreements.

Mr M.F. BOARD: I will not add to the minister's dilemma. Given that the minister cannot recall any previous examples, is he in a position to bring to the House at another time examples of an exemption being provided? In other words, we do not want to put him in a position in which he has to recall them tonight, but it would be interesting to know whether that has been a circumstance in the past. Is the minister in a position to bring them to the House or bring them to the attention of the Opposition through any other means?

Mr C.M. BROWN: I am happy to cooperate on this issue and provide what information I can. This type of exemption is not the preferred position of the State. Whether this is a one-off case, I do not know. I am happy to do some research, although I do not want to go back over time. It may not be possible to find that information easily unless such a provision has been written in.

Mr C.J. Barnett: Let us say modern agreements in the mid 1980s or 1990s; don't go back to the 1960s.

Mr M.F. Board: There would not be that many exemptions.

Mr C.M. BROWN: No, there would not be that many exemptions. I am happy to do some research on this.

Mr C.J. Barnett: I think you might find one. An agreement Act for a shopping centre came through in the early 1990s. It should never have been an agreement Act, but it was for a shopping centre.

Mr C.M. BROWN: The Galleria. It is a great shopping centre. It is in my electorate.

Mr C.J. Barnett: I do not know why there was an agreement Act for a shopping centre. It will not be a traditional resources-type agreement. It was for a shopping centre or maybe even for Port Kennedy or something like that.

Mr C.M. BROWN: The stamp duty exemption is not the preferred position. My colleague the Treasurer made me very much aware that that is the case. Normally, in other areas, grants have been made rather than giving a particular exemption.

Schedule put and passed.

Title put and passed.

Third Reading

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr C.M. Brown (Minister for State Development), and transmitted to the Council.

RAILWAY (JANDAKOT TO PERTH) BILL 2002

Second Reading

Resumed from an earlier stage of the sitting.

MR J.P.D. EDWARDS (Greenough) [8.46 pm]: As a country member, I will make some general comments on the Bill. The previous Government recognised the need for a rapid public transit system to the southern suburbs and established a rapid transit bus service between Canning Bridge and Perth city. I understand the cost was about \$33 million. However, it now seems that that \$33 million will effectively be wasted and the works that took place will become redundant. Those of us from country areas question why that decision has been made. I can think of plenty of areas in which that \$33 million could have been spent. Perhaps I could offer a few suggestions. Country local

governments, and, I dare say, some of the metropolitan local governments also, could build a lot of roads with that \$33 million. A few country water schemes could be put in place, and we could afford to upgrade some airstrips.

Ms A.J. MacTiernan: Member, are you acknowledging that there has been a \$33 million increase in cost? You are the only intelligent member of the Opposition.

Mr J.P.D. EDWARDS: I thank the minister. She always does me the honour of being kind in her comments.

That money could also be used to upgrade power supplies to places such as Kalbarri and Dongara, both of which are in my electorate. They are growing communities that have very uncertain power supplies. As I said, that \$33 million could be well spent.

Given that the new rail line will run along the centre of the freeway, does that mean that the current bus service will survive? I understand that if it survives, some safety angles will need to be assessed. If it does not survive, maybe some people in South Perth will be disfranchised completely because they will not have any means of public transport.

Ms A.J. MacTiernan: It does survive.

Mr J.P.D. EDWARDS: I thank the minister.

I also understand that this rail line is probably the biggest piece of infrastructure that this Government is likely to construct. We are told that the cost will be some \$1.4 billion. However, it seems that some detail of expenditure has not come to light. Maybe that needs to be brought before the House.

I must admit that I am making observations only. Although I am a country member, I take a great interest in what happens in the city, but projects such as this are obviously much closer to some of my metropolitan colleagues. I have heard only today that the project will come in on the money and on time. I think that was from a government backbencher. I will be interested to see that actually happen. However, I am aware that the previous Government did a lot of research into both the Kenwick and Fremantle options. This option appears to be a somewhat hurried decision, given the time taken by the previous Government in assessing the Kenwick and Fremantle options. This Government has been in power only 19 months, and already it has made a decision to put this rail line along the freeway. Kenwick, as I understand it, was an option that accessed a lot more suburbs than this Government's chosen option. Maybe the consultation processes with residents in the areas involved have not been as good as they should have been. I am also aware that the areas of Gosnells, Kelmscott and Rockingham feel somewhat disfranchised.

Ms A.J. MacTiernan: Why would Kelmscott be disfranchised? Kelmscott stands to benefit from this.

Mr J.P.D. EDWARDS: I stand corrected. Gosnells and Rockingham, perhaps feel disfranchised. The City of South Perth, I gather, does not even have the option of a railway station. It is currently served by a bus service on the freeway. I know the member for South Perth has made that comment fairly vociferously. To that end, perhaps South Perth is being discriminated against. It does somewhat amaze me that the minister has been happy to ride roughshod over some of the issues. I have already mentioned consultation processes. I have heard other members on this side of the House say that. The financial details, I understand, could be a little rubbery, and again there is the discrimination against some residents in the South Perth area. I am only making observations on some of the comments that have been put to me, and others that I have heard.

The minister was fairly vocal against the Graham Farmer Freeway and the Northbridge tunnel when they were being built. She was probably one of their strongest critics. However, after the freeway and the tunnel were opened on time and on budget, that criticism dried up very quickly. I remember that when the Graham Farmer Freeway was opened, the member for Perth was fairly vociferous in his comments. I daresay he has changed his mind and his views now, though he is not in the Chamber to say so. It was a particularly good project; it was well researched and planned well, with due diligence and appropriate consultation. I suggest the minister take a leaf out of the book of the previous Government on this project. I have heard some accusations about a financial blow-out on the Graham Farmer Freeway. I do not believe that actually happened. It came in within budget, without problems. However, I am aware that, on this rail project, some \$300 million from the sale of AlintaGas has already been committed through to 2003-04, and forward borrowings of \$793 million to 2006-07 have already been committed.

I gather that many other issues, such as the resumption of land and heritage implications, remain unresolved. There seem to be many uncertainties and unresolved technical problems in this very massive infrastructure project, because there has been neither full consultation, nor a comprehensive technical and financial assessment by the Government.

Those are just the observations of a country member, who is always looking for a dollar for his electorate. When I see the sort of money being spent on this project I hope it is being spent wisely, and that the planning and technical details are thought out very carefully. I hope the minister does her homework very well and that this project proves to be as good as she is trying to sell to us.

MR M.W. TRENORDEN (Avon - Leader of the National Party) [8.55 pm]: The National Party strongly opposes this Bill, and will do so until the bitter end because the costs associated with the project cannot be justified. This is not the same railway line that the National Party originally supported; the costs have spiralled out of control. We estimate the

current cost to be \$1.6 billion, taking into account \$137 million in rail carriage maintenance costs that were hidden outside the project, and \$45 million of unfunded costs associated with the massive demolition project in William Street.

Ms A.J. MacTiernan: Does the Leader of the National Party think we will not be able to sell that land again and that we will leave it as a vacant site?

Mr M.W. TRENORDEN: I would love the minister to respond at the end of the process.

This involves two costs. The Government has to purchase those buildings and businesses. However, I cannot find anywhere in the master plan any allocation for the purchase of those businesses, let alone the buildings. The Minister for Planning and Infrastructure said in answer to a question two days ago that \$40-odd million was available for that.

Ms A.J. MacTiernan: I said we had estimated it would cost \$40-odd million if we had to acquire them. However, we do not believe we will have to acquire them. The worst case scenario is that it will cost us \$40 million, but we would get more than that back from selling the site at the end of the project.

Mr M.W. TRENORDEN: That will be in four or five years.

Ms A.J. MacTiernan: Why does the member think it will be four or five years?

Mr M.W. TRENORDEN: Believe it or not, the building must be demolished to dig the hole for the train to run into and then the hole must be filled in.

Ms A.J. MacTiernan: That will not take four or five years. It might take the National Party that long.

Mr M.W. TRENORDEN: How long did it take to build the Northbridge tunnel?

Ms A.J. MacTiernan: We are not going to hang about.

Mr M.W. TRENORDEN: It is the same process, except the hole is bigger. It involves digging a hole that will be six metres deeper than the Northbridge tunnel and it is in the middle of a swamp. The Myer building, which the minister referred to the other day, has pumps running non-stop in its basement to drain it. It is an engineering feat of some magnitude that poses far greater problems than the Northbridge tunnel for two reasons. Firstly, the tunnel will cut through a swamp.

Ms A.J. MacTiernan: You built the Northbridge tunnel through a perch lake. This structure will be far smaller than the Northbridge tunnel.

Mr M.W. TRENORDEN: It will be six metres deeper than the Northbridge tunnel; the minister should read her own paperwork. The proposed William Street tunnel will be six metres deeper than the Northbridge tunnel because it will have a train station at its base. Some of the buildings that the minister wants the train line to run under were built at the turn of the century through to the 1920s and 1930s and are sitting on top of jarrah pilings that were driven into the swamp. The pilings will have to be dug out in an open cut process or the tunnel will go under them, which would be a very interesting exercise. The National Party will watch the construction with a great deal of interest.

Mr F.M. Logan: When did you do your civil engineering degree?

Mr M.W. TRENORDEN: About three minutes after the member for Cockburn finished his.

During the construction phase of the Northbridge tunnel, I used to see a big sign on a building in Loftus Street criticising the minister, Hon Eric Charlton, and then Hon Murray Criddle. Building after building was cracked and people were upset their properties had been damaged. That tunnel is two-thirds the depth of the open-cut tunnel that the Government is building.

Mr N.R. Marlborough: We are knocking all the buildings down.

Mr M.W. TRENORDEN: The Government is not knocking them all down. It is boring under 600 metres of land, and the other 300 metres will be open cut. We will watch with great interest whether there is any movement in those buildings. The minister is trying to tell us that there will not be any movement. My great passion is coming into the Perth central business district. Those owners of the David Jones store needed to dig under the middle of the mall. It had to demolish part of its building to undertake that tiny activity, and when it dug some three metres into the ground, the neighbour's wall fell down.

Ms A.J. MacTiernan: Have you walked through Westralia Square and noticed a gigantic hole that is at least 10 metres deep? Right next to that are three very important heritage buildings. That hole has been there since 1989.

Mr M.W. TRENORDEN: How deep will the Government's open-cut tunnel be?

Ms A.J. MacTiernan: It will not be any deeper than that.

Mr M.W. TRENORDEN: It will be six metres deeper than that. According to the Government's papers, the open-cut tunnel will be 16 metres deep.

Ms A.J. MacTiernan: Where will the 16-metre open-cut tunnel be?

Mr M.W. TRENORDEN: It will start at the Myer building and run all the way to Wellington Street.

Mrs C.L. Edwardes: It might have to start further south, because the train will come around at the corner of the other building.

Mr M.W. TRENORDEN: That might also have to go. I am told that the minister has been advised that people would like that building to be kept. It would be good if it could be kept. The area from the Myer building to Globe Backpackers and Hotel, on the corner of Wellington Street, will go.

Ms A.J. MacTiernan: I accept that.

Mr M.W. TRENORDEN: That tunnel will be 16 metres deep.

Ms A.J. MacTiernan: I want to check on another interesting point you made, which is the hidden \$137 million. Is that the maintenance cost?

Mr M.W. TRENORDEN: That is the maintenance contract.

Ms A.J. MacTiernan: Is it your view that the coalition Government had included the maintenance cost in its project costings?

Mr M.W. TRENORDEN: It was. The expenditure of an extra \$500 million cannot be justified to save some people 12 minutes in travelling time between Perth and Mandurah. It is not on. The new service will carry just 19 000 rail commuters from the southern suburbs metropolitan region who are not already covered by a world-class transport system. The minister herself says that system is world class. A total of 3 500 passengers will come from the Thornlie spur, which will cost another \$95 million. It is predicted that 28 000 of the "new" rail passengers are rebadged commuters who are currently provided for by the rapid transit bus system between Murdoch University and the CBD. The decision to build on the Kwinana Freeway and burrow under the Perth CBD is a mistake, and it will prove to be an expensive mistake. It will double the cost the coalition projected for its rail plan.

Today, I am proud to announce the Alannah-meter, which will be on all the National Party's publications. The meter starts from July 2001 with a project cost of \$1.2 billion. That has already risen to \$1.6 billion, so the Alannah-meter will need to be adjusted. Everyone who reads National Party correspondence will see it. The justification given for the decision to take the rail along the freeway proves that it was a politically driven process influenced by a group of academics from Murdoch University. Those people took the minister captive and convinced her that saving 12 minutes on a trip between Perth and Mandurah would somehow make the train more competitive than the car. That is absolute nonsense. The minister has created a fiscal time bomb, and it will blow beautifully. The top of the Alannah-meter will go right off.

Mrs C.L. Edwardes: Where can we see this Alannah-meter?

Mr M.W. TRENORDEN: We will show the Alannah-meter to the world. We will be showing all rural Western Australians where the funds for our roads, hospitals and police stations are going. Somebody forgot to think this project through. Obviously, it was not the minister, because she got caught by a number of other people. The minister has left everyone scratching their heads about how the railway will get over two traffic bridges and under the central business district to link up with the Joondalup line. This will be hilarious, except for the pain it will create.

Mr E.S. Ripper: Do you support the rail project?

Mr M.W. TRENORDEN: No. We will oppose it all the way.

Mr E.S. Ripper: You do not support the rail project at all?

Mr M.W. TRENORDEN: No.

Mr N.R. Marlborough: You want roads in the country!

Mr M.W. TRENORDEN: Yes, we do. This project is totally out of control and must be reviewed before it is too late. Spending by this Government would be better applied to projects that are needed, such as the Mandurah bypass, which is a very important project for the whole of the south west. However, we cannot have it because it is more important to save 12 minutes on the trip from Mandurah to Perth. That is a major issue in the whole of the south west. An amount of \$100 million was sucked out of Main Roads when 69 out of 100 projects received zero funding. I loved the minister's little act in Toodyay, because the six, seven or eight per cent she backed will not beat the 90 per cent she did not back.

Ms A.J. MacTiernan: Does the member not support route 2?

Mr M.W. TRENORDEN: I support routes 1, 2, 3, 4, 5 and 6. If the minister was not wasting money on this railway line we could construct those routes. We want that \$100 million back where it belongs - in the road program - and that is just the beginning. What about decent heavy haulage access to the port of Fremantle? This Government will not build a road to the port of Fremantle for one really good economic and sound reason: it happens to be a Labor Party

seat. Six per cent of the total traffic count in Fremantle goes to the port and the minister is stopping total access to the port for the sake of six per cent of the traffic.

Mr R.C. Kucera: I take it you will not come to the official opening?

Mr M.W. TRENORDEN: I have a two-hour speech here. I will give that a miss. One of the projects we would like to see happen is the Lancelin to Cervantes road. With \$700 million worth of economic activity being announced by the development commissions -

Ms A.J. MacTiernan: What about the Mad Max-meter?

Mr M.W. TRENORDEN: It would be backed by three development commissions. That \$700 million was not my figure. If the minister wants to abuse and accuse those three development commissions, she is free to do so. They would love her for that. What about putting money back into a water scheme? The vast majority of Western Australians are concerned about the supply of water. The response from the Government has been to put up the price of water so nobody will use it. Why does the Government not spend a few bob and get a proper water system? Why does it not spend a few measly bob on the poor people up at Kalannie so they do not have to drive 60 kilometres to get drinking water? The people in the metropolitan area take water for granted, while those in Kalannie have to cart water 60 kilometres. I heard the arguments put forward in the Johannesburg Earth Summit a few weeks ago. I heard of people who are unfortunate enough to have to cart water, but I bet that they do not cart it for 60 kilometres.

The tremendous cost of building the railway along the Kwinana Freeway cannot be justified on the basis of projected passenger numbers. The 6 000 or more commuters who it is estimated will use the train between Murdoch and the central business district are already happily being served by a world-class rapid bus system. The minister proposes to cancel the much loved and highly successful rapid bus service and put those passengers onto a train.

What was said about public transport in *The West Australian* of two or three days ago? It reported that of all the people in capital cities in Australia, Perth people had the highest regard for buses. The figure for Perth is 3.3 per thousand people, which is higher than those for Sydney, Melbourne and Brisbane. Perth people have taken to buses. What about the train? Some 1.1 per thousand people prefer to travel by train. Three times the number of people per thousand prefer to travel by bus. What does the Government do? It withdraws bus services and puts people onto a train. The Government's policy has been dreamt up by some weird process which I cannot understand. Labor's revised master plan shows that the Jandakot to Perth direct route will carry an estimated 1 310 fewer new passengers than the Kenwick route.

We oppose this Bill because it sets in motion an explosion of unnecessary public expenditure. The money could be better utilised for regional transport projects in many other places. The cost of the project equates to about 20 per cent of the State's budget, yet this Government expects to push it through this House today in a rush.

Several members interjected.

Mr M.W. TRENORDEN: Yes it is. We are sitting on a Thursday night.

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

Mr M.W. TRENORDEN: The previous coalition Government's decision to build the Mandurah to Perth railway, deviating along the existing freight line to Kenwick, made economic sense. It entailed proper judgment and proper planning, unlike this Government's scheme. The original cost of the Perth to Mandurah component of the coalition Government's scheme was \$941 million. That compares with the present \$1.6 billion cost of this Government's scheme. A further \$81 million was allocated to the northern line extension and rolling stock, which would have brought the cost of the coalition scheme to \$1.14 billion, not the present figure of \$1.6 billion and going through the roof. Members might like to know that the \$381 million that the previous Government allocated for leasing railcars and constructing depots included an amount for maintenance. The previous railcar contract included 24 railcars. This Government is spending more money for fewer railcars.

We have not had much time in which to study the 46 pages of the master plan, but we are going through it and having a giggle every now and then as we read it. We have a couple of examples that will be very prominently featured in *The West Australian* because they are great stories. The plan is riddled with inconsistencies and raises more questions than it answers. For example, it does not explain the basic issue of how the Government's plan will be funded. We know why the funding arrangements are not detailed; if they were included the State would lose its AAA credit rating. The minister has confirmed that \$137 million needs to be added to the \$300 million allocated in the master plan for railcars and depots. The extra money for maintenance of the railcars is not shown in the master plan, even though it must be spent by the State. There seems to be an argument that only capital money need be spent, but the minister has admitted that \$137 million is included for a 15-year maintenance contract. We will invite everyone to add that \$137 million to the cost because the State will pay it - that is going on the Alannah-meter! The public has the right to know the total cost of the railway, yet the Government is revealing only a fraction of the cost. The public also need to ask what is the cost of operating the new railway line because the operating costs are not in the master plan.

Ms A.J. MacTiernan: Were the operating costs in your master plan?

Mr M.W. TRENORDEN: I will keep going because I am running out of time. The extra cost will be \$47 million a year. We will work out how many years that will go for and we will put that on the Alannah-meter as well. These discrepancies in the plan will push the cost of this project well over \$2 billion. The public need little convincing that there is any possibility of this project coming in on budget.

Ms A.J. MacTiernan interjected.

Mr M.W. TRENORDEN: I have a house in Mandurah and I spend a fair bit of time there.

Where is the money going to come from? The money will be ripped out of regional and rural Western Australia. Over the past 18 months, every time the Government has run out of money, it has taken it from the country. The master plan states that \$300 million from the sale of AlintaGas will be used and the remainder will come from public borrowings. We are now up to \$1.6 billion and heading towards \$2 billion. We will hit \$2 billion for sure but there is only \$300 million put away for the project. It is going to be an interesting few years, and I am going to love it!

The previous Government called for expressions of interest after announcing its project in October 2000. It was open to all possibilities including to fund, build, own and operate. It envisaged the private sector playing a critical role. The minister says that the private sector might be involved with the buildings in William Street. My view is that is a chance, but it will be a chance three or four years after the project starts. Someone will have to find the money to pay for it. Even if they get the money back, it has to be paid for in the first place. That is the reality.

The Bill fundamentally changes the route of the Kwinana Freeway and has major cost implications including large-scale tunnelling and other construction work in the Perth central business district, which is budgeted in the master plan at \$195 million. It will be interesting to see how that goes. There are too many unanswered questions about this part of the project. People who contact me do not believe for a moment it can be done for \$195 million. If the Government goes ahead with this, the consequences will be on its head. The Government will not be able to do it for less than \$200 million. The master plan fails to detail any key engineering concerns about tunnelling under the Perth CBD. There is no mention whatsoever of the risk factor. The master plan does not state where this type of work has been done before. There is no mention of any other city; it is silent on the issue.

The master plan does not mention the interruption and inconvenience to city businesses and the public for the period of construction. The minister has glossed over that. Once started, the work will continue for a considerable period and there will be enormous disruption to the CBD and there will be some very angry people. The Opposition and the public are not being told exactly what the Government is getting us into. As we work through the project we will find out. Things will come out that have not been mentioned before. The master plan states that the freeway route will require \$26 million for modifications to the Mount Henry Bridge and \$20 million to strengthen the Narrows Bridge. It states that the Government will have to find \$195.5 million for a 1.6 kilometre tunnel along the foreshore and under William Street. It will be interesting to see how this will be met. The whole Perth-Mandurah rail project has now fundamentally changed. The costs have skyrocketed, and the time frame has been flipped out to 2008. For that reason, the National Party is not interested in this project. It is not the same project that we knew and had some support for. That project has gone. The cost has now hit \$1.6 billion and is still heading north. We will use every opportunity we get to remind everyone about how this Government is ignoring the transport needs of people in rural and regional Western Australia. The people on the government side tend to forget that they ran with the story of the \$5 million cost of the belltower time and again. I will love running how this Government is spending \$2 billion on a rail line to save 12 minutes for a few hundred people in Mandurah. That will be a wonderful story for us to run in rural and regional Western Australia, particularly in places like Bunbury and Collie, where the people are already very angry that their transport needs are being ignored yet \$2 billion can be spent on this pipedream.

The people of Rockingham were to get a rail service under the previous Government's plan. Those people have been duped. All they will get now is a CAT - or perhaps that should be a rat, because the truth is that this Government has ratted on the poor people of Rockingham. In the surveys that were done during the term of the previous Government, most of the people who travel out of Mandurah said that their destination of choice is Rockingham.

As a result of the route change, there will be chaos along the Kwinana Freeway and a huge and unnecessary impact on the road transport industry and the community at large. Talk about road rage! When this project starts to develop along the middle of the freeway and people find it difficult to travel along that road, it will be fantastic as a country person to watch the anger and the rage. At the same time, we have a Government that does not want people to get access to the port. God forbid we ever let cargo get into a port! That is the last thing we want! Much of the cargo that comes from where you live, Mr Acting Speaker (Mr J.P.D. Edwards), goes across the Narrows and down the freeway. There will be three to four years of great disruption to businesses and service providers that rely on the Kwinana Freeway every day of the week. I do not use the freeway a lot, I admit, but on the occasions when I have it is often already a parking lot. I occasionally go to Mandurah, as the member for Mandurah knows well -

Several members interjected.

Mr M.W. TRENORDEN: I live in Halls Head. I have two houses, one in Northam and one in Halls Head. I can tell members a great story about the house in Halls Head. It used to belong to my mother, who lived there for 30-odd years, and when she died she left it to me.

Mr B.J. Grylls: She never wanted a railway!

Mr M.W. TRENORDEN: As an elderly person, she used to catch the bus and go to Rockingham. She loved going to Rockingham, and several times I went on the bus with her just to spend time with her. The disruption to the freeway will be enormous. By the time this project starts and rail is being put down the centre of the freeway, all Western Australians will be very conscious of those few kilometres of land along the river. The member for South Perth unfortunately is not in the Chamber. That land along the freeway will be the most talked about real estate in Western Australia. There will be road rage from Mount Henry Bridge all the way to the city. This railway is totally out of control. The costs are going up like a skyrocket.

Several members interjected.

Mr M.W. TRENORDEN: Actually that is not true, because a skyrocket goes straight up in the air. The cost is wobbling around as the plans change, but it is still going up. It will go through \$2 billion for sure.

Mr M.P. Whitely: I think it's \$2 gazillion.

Mr M.W. TRENORDEN: I am happy for the member for Roleystone to say that it will cost \$2 gazillion. However, what will happen in the meantime? The point is that while this \$2 billion is being expended, the Minister for Health will rip out money from regional areas and the Minister for Police and Emergency Services will rip out money from the regional police budget. We are already losing police officers from country areas. Roads will seriously deteriorate and the costs of the lime routes will not be met. This situation is similar to the bypass situation at Toodyay.

MR B.J. GRYLLS (Merredin) [9.25 pm]: The Perth to Mandurah railway line is proving to be a very difficult grand plan to sell in my electorate of Merredin. The Railway (Jandakot to Perth) Bill is an integral part of that grand plan.

Several members interjected.

The ACTING SPEAKER (Mr J.P.D. Edwards): Order, members!

Mr B.J. GRYLLS: I thank the member for Mandurah for mentioning the town of Meckering, because I have spoken to the minister on this issue. It is very difficult to convince the people of Meckering that the Perth to Mandurah railway is a great idea, when they cannot even get the *Prospector* to stop in their town.

Ms A.J. MacTiernan: I am shaking in my boots!

Mr B.J. GRYLLS: Is the minister saying that the people of Meckering do not matter?

Ms A.J. MacTiernan: Is that a statement?

Mr B.J. GRYLLS: Are they collateral damage? Is it bad luck that there are not enough people in Meckering to catch a train?

Ms A.J. MacTiernan: Is that what you think?

Mr B.J. GRYLLS: No, that is what the minister is saying.

Mr R.C. Kucera: The minister hasn't said a word.

Mr B.J. GRYLLS: It is her view.

Ms A.J. MacTiernan: I am sorry, I have not said anything of the sort.

Mr B.J. GRYLLS: Many people in Meckering are retired senior citizens. They want to access the train so that they can attend medical appointments in Perth. They have been told that it is not viable to have a station in their town, and have been advised to travel the 25 kilometres to Cunderdin to catch the train. This project, on which upwards of \$1.5 billion will be spent - it looks as though it could be a \$2 billion project - is a difficult concept to sell to those people. They cannot even get the train to stop in Meckering.

Mr M.P. Whitely: It will cost \$2 gazillion squillion.

Mr B.J. GRYLLS: I am happy for all the interjections of the member for Roleystone to be recorded in *Hansard*. It may seem like a laughing matter to him, but he well knows that it is difficult to convince elderly residents of a community that has had what they consider to be a normal part of their lives taken away that this is a good project.

Mr P.B. Watson interjected.

Mr B.J. GRYLLS: The people of Meckering used to catch the train, but now they cannot.

Mr P.B. Watson: We do not have a train.

Mr B.J. GRYLLS: What does the member for Albany mean by that?

Mr P.B. Watson: We do not have a train in Albany.

Mr M.W. Trenorden interjected.

Mr B.J. GRYLLS: That is right. We should take stock of what country people think about the Mandurah to Perth railway line. It is an issue that people speak to me about all the time, especially with the number of accidents that occur on country roads. A good friend of mine was injured in a bad accident on the Corrigin to Hyden road. Another good friend of mine was the first person on the scene of the accident that happened just out of Quairading a couple of weeks ago. The tourists in that vehicle were obviously travelling too fast. Speed and country roads are not a happy mix. He has not slept since, because of the carnage that he found. He asked me what was happening with upgrades to country roads. All I could say was that the money was going on the railway line.

Mr J.N. Hyde: So the federal roads to recovery funding - an extra \$1 billion - has been a failure?

Mr M.W. Trenorden: How has it been spent on the Quairading road? Can you explain that to me?

Mr B.J. GRYLLS: The member is talking about the main highway. I will share with the House some of the projects that are listed in the budget papers but will not receive the funding that would bring them to completion. They include the unmet funding of \$23 million for the Corrigin to Hyden road; \$18 million for the Hines Hill to Merredin road; and \$20 million for the Merredin to Walgoolan road. The Merredin to Walgoolan section of this road was the site of the major truck smash that occurred less than six months ago. An amount of \$7 million was promised for the Wickepin to Kulin road.

The ACTING SPEAKER (Mr J.P.D. Edwards): I have allowed a fair amount of good humoured, robust exchange to occur across the Chamber. However, I cannot hear what is being said and I am sure Hansard cannot hear it either. I ask members to control themselves.

Mr B.J. GRYLLS: It is important that I get my comments on the record because they represent the views of my electorate. This Parliament represents not only the metropolitan area but also the whole State.

Mr J.N. Hyde interjected.

Mr B.J. GRYLLS: It is a pretty good gerrymander for the people of Mandurah. It is not a very good gerrymander for people in the country. A \$12 million project is unfunded for the grain logistic routes, which carry a vast majority of our exports that provide so much wealth to our State. The member for Avon has mentioned lime sand routes, which bring valuable minerals into the agricultural region to increase the fertility of our soils and, hopefully, to increase our grain production. They have also missed out on funding. That does not include the rural water scheme and the regional headworks grant, which has disappeared off the face of the earth.

I advise members opposite that many infrastructure projects that are important to the region have been left blowing in the wind while we debate a Mandurah-to-Perth railway line. It is getting late and I do not want to take too much more time of the House. However, I put on the record the disdain -

Mr J.N. Hyde: The coalition Government did not produce those roads.

Mr B.J. GRYLLS: The coalition Government put \$800 million into Transform WA, which was a major initiative for regional roads.

Mr J.N. Hyde: All the regional roads you mentioned failed -

Mr B.J. GRYLLS: Perhaps the member for Perth should look at the vast number of road networks that need upgrading. He has never been out there.

Mr J.N. Hyde: If we could have roads in the CBD of the standard of roads in Training and a number of other wheatbelt towns we would be laughing.

Mr M.W. Trenorden: Is the Training to Cunderdin road good?

Mr J.N. Hyde: I did not say to Cunderdin.

Mr M.W. Trenorden: You don't have a clue.

Mr B.J. GRYLLS: I referred to a few of the road projects that have not been funded. I think they add up to about \$75 million. The expenditure of \$200 million on reducing a trip from Perth to Mandurah by 12 minutes is a very difficult pill for the people of the wheatbelt to swallow. The National Party will oppose this Bill as vigorously as it can.

MR N.R. MARLBOROUGH (Peel - Parliamentary Secretary) [9.32 pm]: In many ways, I sympathise with the Leader of the National Party's frustration over what he sees as reduced priorities in his region because of this rail system. As a member who will have the rail system running through his electorate, I have felt somewhat aggrieved by similar outcomes.

Prior to the election, the coalition Government, under Richard Court, offered the electorate a rail system to Rockingham, which was to tunnel under Dixon Road, the main thoroughfare of Rockingham, into the Rockingham shopping centre. That proposal was very much driven by the local Rockingham Shire Council, supported by the mayor and a number of other people in the community. However, as an observer and as part of the electorate, I felt it was not achievable. I always thought the expense of the tunnel at \$140 million was over the top given Mandurah's

requirements. Like a lot of people, I was surprised that the Government of the day ticked off on the \$140 million. I was equally concerned that the Labor Party removed that option when we came to office. However, unlike the Leader of the National Party and the Opposition, I did not argue for a flat-earth approach. They have argued that change should not occur, which is ridiculous when we are trying to build what is probably the most significant engineering feat in the State since the pipeline was built to Kalgoorlie by C.Y. O'Connor. This \$1.40 billion transport system will be a magnificent attribute to the State. As the local member, when my cabinet colleagues decided to remove the \$140 million tunnel, I did not put my bat in the bag, go home and cry about it and say that the world is a disaster. I took the opportunity to turn that situation into a positive outcome for the community. That has been possible because of the progressive thinking and support of the Minister for Planning and Infrastructure.

Although she had priorities that I did not necessarily agree with, the minister and I had many discussions outside the Chamber about the proposed route, but not on the basis of it going to Kenwick. Any route that took commuters from Rockingham or Mandurah out to Kenwick and to the city was like driving from Perth to Geraldton via Northam, which is crazy. Transport systems around the world and in other Australian cities have two consistent themes. Firstly, the dollar cost per head of population to build a train line could always be argued, even in cities in Europe and elsewhere, which have large populations. Secondly, those systems become successful because they are on a designated route, which means they do not compete with other traffic, which this rail system does. They become successful also because the distance between the departure point and the destination is designed to be quicker than it would be if commuters used the convenience of their motor vehicle.

Whether or not we like it, Australia, particularly Western Australia, is driven by the convenience of driving. We must change people's psyche by getting them out of their cars. The Kenwick option was always going to add some 20 minutes for commuters to get from Mandurah to the city. Commuters would decide to travel in their car if they had to choose between driving to work or taking a kiss and ride to a train station that would add 20 minutes to get to and from work. That continues to put pressure on Governments to not spend money on public transport but to continue to spend money on road systems, which is what the National Party argued for.

Faced with the removal of the \$140 million tunnel, the member for Rockingham and I proposed to the minister that a unique tram system should be built that would run down Ray Road from Ennis Avenue station to the road reserve that directly services the Rockingham shopping centre and from the Rockingham shopping centre to the administration building of Rockingham. We proposed that it would then travel from that administration building, which services the new city centre, to Murdoch University and the TAFE and then turn down Dixon Road and go to the Indian Ocean which, after all, is the jewel in the crown of Rockingham. The tram could then travel down the Indian Ocean and along the two kilometres of Churchill Park to the Indian Ocean foreshore. I ask members to picture that as I argued with the minister, the mayor and the council about it at the time.

Trains give two options to cities. The doomsday argument is that they take people away from cities, but they also bring people into cities. Bringing people into the city of Rockingham with a tramway, not a tunnel, will create a unique tourism opportunity for Rockingham. Why will it be unique? Nowhere else in Perth has a tramway. People will want to travel on the Rockingham tram. It is a far cheaper proposal than a tunnel and it will serve a greater proportion of people in Rockingham. It will take people to where the Rockingham City Council has wanted to take locals for years. Rockingham council has understood now for many years that the decision it made 20 to 30 years ago to turn its back on the Indian Ocean and to build a shopping centre in the Gibson Desert, where it is now, was wrong. It has been working for 30 years to get people back to the Indian Ocean where they want to be. Unfortunately, the council does not have the land to do that. It is starting now to look at proposals that have been driven by the opportunities it seized through initiatives taken by the member for Rockingham and me when we went to the minister and the Government of the day and asked for this tram route. We are working on getting that in place right now. We are very confident -

Mr C.J. Barnett: Do you think that very worthwhile project should be included as part of the overall costings of the south metropolitan railway?

Mr N.R. MARLBOROUGH: It probably should have been. I am very optimistic. I am hoping that there may be savings in that \$1.4 billion project spread over four to five years. Even if there is no saving in the engineering costs over that four to five-year period, the link from Ennis Avenue to the ocean front does not have to be built for four years until the track is there and the rail is running on it. It does not need to be built at the beginning of the project. Even if it is built after that time, it will cost about \$6 million a year - a total of \$30 million over that four to five year period. I believe the Treasurer is already working on ways to ensure that the money will be available when it is needed because he is aware of forward economic planning and the need to keep the State's AAA rating.

Unlike the National Party with its flat earth policy, I view this rail system as an opportunity. Unlike the Liberal Party, which supports the flat earth policy, I will tell members what is going on in the real world. In the real world every developer worth his salt is planning developments in the Rockingham metropolitan area on the basis that the railway line is going down there. I have seen proposals for new urban cells stretching like mushrooms along the freeway and the proposed rail route. Already the towns of Kwinana, Rockingham and Cockburn are planning new business opportunities around the railway station. Members opposite continue to run the flat earth argument about the dollar

being important. What about the planning opportunity that such a great transport initiative would deliver to the State? The real question members should ask themselves is: if we do not do it now, what will be the cost in the future? Will it be the cost of more roads? Will it be the cost of more congestion? Will it be the cost of more deaths on our roads? The answer to all three questions is, yes it will. Will a road system in place of a rail system give us the planning options we need to properly develop the southern part of the metropolitan area? The answer given by planners all over the world who are worth their salt is, no it will not give the planning options that are needed to develop the area.

I say to members of the Opposition and the National Party that they should get away from this flat-earth policy. If a C.Y. O'Connor medal were to be awarded for planning initiatives and engineering balls, the Minister for Planning and Infrastructure would get it. I will bet members any money that C.Y. O'Connor, who committed suicide at South Beach after the button was pressed to start the pipeline and proved that it would work, had to put up with the same sorts of arguments we have heard in this place. Members should read *Hansard* and the history books of the day, because they will find that the same sorts of people - the flat earthers - were arguing the same sort of rhetoric then that frightened great people like C.Y. O'Connor, whose reputation was destroyed before a trickle of water came out of the pipeline.

There are not many engineering feats in this world, and if members do not believe it, they should think about what they are saying about the engineering feats. The head of the National Party is amazed that anybody can build a tunnel that might be affected by water under the streets of Perth at the moment and succeed. It is somehow going to collapse! He builds on that rhetoric by telling us that the city that is there now was built on the water by driving jarrah pylons into the wetlands. He then jumps to the question, "How can it be done today?" I know why he has done that. It is because of our logging policy to stop cutting the jarrah forests. There is no more jarrah available to build a tunnel! It does not make sense. There is no logic to the Opposition's approach to this issue.

I will tell members another area on which I differed with the minister. I always had the view - well before we came to office; it has been reported in the local media - that the rail line should go straight up the freeway and that it was madness to send it out to Kenwick. I was critical of the previous Government. I argued with the five councils that ticked off on the Government's initiative to take it out to Kenwick. I contacted them all and told them that they were wrong. I differed with the minister over the freeway because I believed that the railway should come up past Parliament House, through the open cut that was created by the Barracks and then enter into the station, running next to the Polly Farmer tunnel. I argued that position with the minister. Obviously, as the minister, she prevailed. In retrospect, she made the daring decision and she was correct. I was taking the political position -

Mr P.G. Pandal: You weren't! Not you!

Mr N.R. MARLBOROUGH: Yes; I was taking the political position, which was: why have a blue with the City of Perth and the businesses in St Georges Terrace when that route seemed to be the easiest and most convenient route? However, the Minister for Planning and Infrastructure was correct on the future direction of this city with a rail transport policy of linking a southern rail line directly into a northern rail line that can go all the way to Joondalup and beyond.

I finish by saying to the Opposition that it is not winning the public debate on this issue. That can be argued with some justification by telling members opposite that we did not win the public debate on the Polly Farmer tunnel. Today, people certainly think that it is great that the tunnel was built. The Opposition is not winning the debate on this issue because people do not want to listen to its flat-earth policy approach.

I was amazed by the statement tonight of the Leader of the National Party - the Liberal Party's coalition partner. He was asked about the railway by the Minister for Planning and Infrastructure, and his answer is recorded in *Hansard*. He wants to give his paper to his National Party colleagues. I wish he were here because I would tell him to save his money. He should not post it to anybody, but just meet with his colleagues as usual in the phone box at the corner of Narrogin and Toodyay! The Leader of the National Party put on record his opposition to this rail system between Mandurah and Perth. The public should hear about that. In the run-up to the next state election when the Liberal and National Parties try to work together as a coalition, we will see how they overcome that hurdle. Barnett says, "We're too committed; it must go ahead." The Leader of the National Party says, "I have always been opposed to it." The Government will remind the people of Western Australia of that. Their thinking about what this project will deliver to their city is far more sophisticated than are the arguments we have heard from the Opposition.

I will conclude my comments by referring to Rockingham. As a result of the freeway that has been constructed and the announcement of the construction of the railway line, in the past six months real estate prices in the Warnbro-Safety Bay area in Rockingham have increased by \$30 000 a property. As I said earlier, urban development and planning options have mushroomed all along the way. It is always difficult being in opposition but, please, get away from the flat-earth policy. Opposition members should look upon this as a great opportunity for this State. This is a great decision that has been pushed very hard by a Minister for Planning and Infrastructure who will go down in history as one of the finest planning ministers this State has ever seen.

MR W.J. McNEE (Moore) [9.52 pm]: I am not usually here at this time on a Thursday night, and I hope the Leader of the House is a bit unhappy because I want to tell him that he could not run a free chook raffle. If he could do that, I

would have been home by now - not faced with a long drive home when this joint finally rises, and then an early-morning trip to do the things that I must do tomorrow. I want to tell the Leader of the House that he can sit there and cop it, and I will give him the reason that I am here.

I just listened to those last comments with patience. I am not opposed to the Government's railway. I have not heard the Liberal Party say that the Government should not build a railway. We might argue with the Government about which route the railway should take, but surely we are allowed to have an opinion. However, that is not the case according to the minister. She will go down as a minister all right, but it will not be for the reasons that have just been explained to us; do not worry about that! Members opposite should ask the people in my electorate what they think of her. They will tell them what they think. They will strike a medal; that is not a problem. If the Leader of the House wants to run this show the way he has been, he can expect to sit here until the small hours, if that is what we must do.

This railway was compared with the C.Y. O'Connor project. The C.Y. O'Connor project was a very different thing. It opened up vast areas of this State for development. It created huge wealth; make no mistake about it. If members opposite started to count now, they would be here for a long time counting the billions of dollars that that project brought to this State. Although this railway is probably quite worthwhile, it cannot be compared with the C.Y. O'Connor project. In the Government's budgeting, it is probably a minus thing. If the Government can make it pay, that is fine, but I really wonder whether it can. I am just a bit concerned about the slapsy-maxi planning. I am concerned that this railway could end up being Western Australia's Sydney Opera House.

Several members interjected.

Mr W.J. McNEE: The member for Mandurah, and a few others might remember this, when they are out there mowing their lawns after their early retirement after the next election. The people will remember this Government, because they will be hit in the cheque book. How many billion was it? One point what? I will bet anyone interested that the cost finishes up closer to \$3 billion than the present estimate. Of course it is possible to burrow under anywhere. Just ask the rabbits! All that is required is a big enough cheque book. Any engineer worth his salt, if asked to do something today, would say that it could be done, but then ask how big the cheque book is. If the money keeps flowing, there will be no problem.

If I lived in South Perth, and I were a Labor voter - would there be many Labor voters in South Perth?

Ms S.E. Walker: There are not many Labor voters anywhere.

Mr W.J. McNEE: There will not be many by the next election. Just imagine living in South Perth, where a train runs along the freeway. I would not like that.

Several members interjected.

The ACTING SPEAKER (Mr J.P.D. Edwards): Members!

Mr W.J. McNEE: We will not have to worry about them, because they will all be gone in a couple of years. At least I have picked the time when I will retire from this place. I feel sorry for members opposite because a lot of them will be removed by the voters at the time, rather than leave by choice. They can visit me any time they like and I will buy them a beer.

I cannot believe the Government has turned planning around in such a short time. If the minister has done that successfully, then good luck to her, but she should be very careful and check with her planning people that they have got it right. I am not saying that she cannot do what she wants to do, but she should be very careful.

Just look at the wasted money. The last Government put the system in there to bring the buses up the centre of the freeway, but the present Government will tear all that up. Is that right?

Ms A.J. MacTiernan: No.

Mr W.J. McNEE: The minister will not tear it up? Where will she put the train then?

Ms A.J. MacTiernan: In between -

Mr W.J. McNEE: In between? She must be living with the fairies, too! I cannot believe it. Will she be using a Thomas the Tank Engine train? It must be! I cannot believe that. However, that is her story, and she should stick to it.

Mr R.C. Kucera: We will still invite you to the opening.

Mr W.J. McNEE: That is another thing - the Government intends to hang a bridge on a bridge.

The Minister for Health will not have to worry about inviting me because the Government will not have turned the first sod of this project by the next election, unless it is very lucky.

Mr E.S. Ripper: What is your policy on the railway should you be re-elected in 2005?

Mr W.J. McNEE: The Treasurer does not have to ask me what my policy is. In 2005, I will be long gone. He should ask the members who are here now and who will be here then. I will not lay my policy on them. I will leave because I want to leave. Many members opposite will leave despite the fact that they did not want to leave.

MR M. McGOWAN (Rockingham - Parliamentary Secretary) [9.59 pm]: I am happy to contribute to the debate. I am on record for my support of this rail link. In fact, it was one of the issues that I campaigned on in the 1996 election when I was elected to this place. I was happy with the decision made by the Cabinet last year to re-route the railway line away from the Kenwick deviation up the Kwinana Freeway into Perth. I am pleased and proud of the Minister for Planning and Infrastructure for that decision. At the next election, I would be happy for the Liberal Party to campaign in my electorate based on that decision. If the Liberal Party can be bothered, members opposite can campaign in my electorate. They can tell the people of Rockingham that they will re-route the railway line out to Kenwick. They can feel free to do that; they can be my guest! I invite the Opposition to my electorate for that purpose. I will organise the function and provide the coffee and they can tell people of their commitment to take the railway line out to Kenwick. Members opposite are on the record often on that matter, and I will regularly remind the people of my electorate - the people of Rockingham, Mandurah and Kwinana - of the Opposition's commitment to take that line back out to Kenwick.

I was very pleased by the decision. The Minister for Planning and Infrastructure has done a magnificent job. She has provided some vision for this railway line; that vision will stand for 100 years. When the historians look at this issue, they will be perplexed that a Government had once decided to build a railway line that went the wrong way to reach its destination. They will then see that another Government was elected, which changed that decision so that the rail line followed a direct route to its destination. They will understand that was the right decision and a visionary decision. I am proud to put my name to that decision. I am proud that I had some influence in putting that decision into place. I raised the issue with the Premier in conjunction with the Minister for Planning and Infrastructure. I was very pleased to see that the Cabinet under the Premier's leadership was able to change the decision of the former Government.

I will address a couple of points raised by the Opposition. Members opposite constantly refer to the tunnel through Rockingham. They oppose a tunnel through Perth, but support a tunnel through Rockingham. As the member for Peel so eloquently stated, the tunnel through Rockingham was a vexed question. Members opposite proposed to run a railway line through the middle of the city of Rockingham. The tunnel that was proposed by the former Government would run for only a short distance under the city of Rockingham and the majority of the rail line was on the surface. I suspect it would have been quite difficult to complete the project because the last Government committed only \$100 million to that proposal; yet it was costed at \$150 million. The Liberal Party expected the City of Rockingham and the ratepayers of Rockingham to cough up another \$50 million for that proposal. Members can refer to the budget speech of the former Government. When the then Premier, Hon Richard Court, announced the rail project, he said the Government would commit \$100 million when it was costed at \$150 million in 1999.

Those opposite expected the City of Rockingham, through its ratepayers, to cough up another \$50 million for that proposal. They now come in here with a breathtaking lack of geographical knowledge and say that our line will go nowhere near Rockingham. They are completely wrong. The only person in the Opposition who ever goes near Rockingham is the member for Moore. He knows that the railway station proposed by this Government is central to Rockingham. As I have said to members opposite, if they want to campaign in my electorate, they should feel free. I will organise the venue. They can go to my electorate and campaign for the line to go out to Kenwick and for a tunnel and rail line to be built down suburban streets. This Government's proposed station will be central to the city of Rockingham, and the line will provide a 32-minute trip into the city. That is 12 minutes shorter than under the plan proposed by the last Government. We all know that railway lines work only if they follow direct and quick routes. If the route is not direct and quick, those who build it will be wasting their time. We would waste over a billion dollars of taxpayers' funds if we proceeded with the proposal put forward by the last Government.

The Leader of the Opposition will be interested to learn that one of the newspapers in my electorate did a survey of local residents. It invited people to write in and say whether they supported the Leader of the Opposition's proposal for the railway line to go out through Kenwick or a line that heads in the direction of its destination. The newspaper did not receive one letter of support for the Leader of the Opposition's plan. With his stance on this and every other issue, it is no wonder that he is not the most popular person among my constituency.

The member for Warren-Blackwood stood in this place and said that there was no need for a railway line and that the Opposition did not want one. The Leader of the National Party, followed by his colleagues, then stood and said exactly the same thing. I remind members opposite that the member for Warren-Blackwood was a member of the last Cabinet, which approved plans for a railway line. The Leader of the National Party was a relatively senior figure in that Government. There seems to be some amnesia about this issue. Those members are saying that they do not want a railway line because it is a waste of money. I remember the former Premier, Hon Richard Court, standing in this place - Mr M.F. Board interjected.

Mr M. McGOWAN: Did he hear the member for Warren-Blackwood or the Leader of the National Party? That was exactly what they said. The last Premier came into this place and announced a policy to build a railway line. He produced glossy brochures. We saw on television the whole box and dice, including graphics, of the Court Government's railway plan. The Opposition is all over the place on this issue. In government it said it would build a rail line; in opposition it says it does not want one.

The other point the Opposition seems to be making is that, in 2002, we are incapable of building a tunnel under the city of Perth. The New York subway, the Paris metro and the London underground were all constructed in the 1800s.

Mr M.F. Board interjected.

Mr M. McGOWAN: The member for Murdoch opposes a railway in his electorate. That is the sort of person he is. It is incredible. I do not know how he could deliberately sabotage the interests of his constituents.

Tunnels have been constructed around the world for over 100 years for facilities such as this. This State has produced some of the best mining and civil engineers in the world. In the intervening 100 years we have seen the invention of all sorts of things: aeroplanes, the microwave oven, the Hills hoist, the telephone, the Liberal Party and various other dysfunctional things, air travel, the automobile, astro-travel, the Minister for the Environment and Heritage, thongs, the stump-jump plough, the cochlea implant, Viagra and the pill. We now take air travel and the automobile for granted, but the Opposition seems to think that it is beyond our capabilities to build a tunnel in Perth, despite the fact that we have the capacity to develop all of the above.

Several members interjected.

The ACTING SPEAKER: Order!

Mr M. McGOWAN: I will wind up now. The Opposition is treating this matter with some frivolity.

I am proud of this decision on the southern transport link. I think it is a good decision and I will campaign in my electorate to support it. It is a popular decision; it is visionary; and it will meet the needs of our expanding city for decades, if not centuries, to come. This will be looked upon as a wise decision and I am very proud to have been part of it. I am also very pleased that we have a minister and a Government that put that decision in place.

MR F.M. LOGAN (Cockburn - Parliamentary Secretary) [10.13 pm]: I take great pleasure in rising to my feet at this time of night and speaking on an important subject such as the southern transport link, because at almost 10.15 pm I can see a bit of life in opposition members.

Mr N.R. Marlborough: It's the Viagra.

Mr F.M. LOGAN: No; that has affected the member for Peel. Members can see how stiff the member for Peel is at the moment. I can see a bit of life in opposition members; they are fuelled up and ready to interject. I have not previously had an opportunity to speak about this rail project, whether on a matter of public interest or a motion. This is the first opportunity I have had as the member for Cockburn to have my views on the southern railway recorded in *Hansard*. I will use the opportunity to bring to the attention of the Chamber some of the views of the people of Cockburn about the decision to route the southern railway straight down Kwinana Freeway as opposed to routing it towards Armadale.

Several members interjected.

Mr F.M. LOGAN: I take the opportunity to reiterate what I said earlier. I enjoy this time of night because the Opposition is fuelled up and ready to go. We did not hear this level of interjection earlier in the day. What the opposition members must do is get a little Dutch courage into them before they can interject. We have a classic example in the member for Cottesloe.

One of the first people to support the minister's decision was the Mayor of Cockburn, the dynamic and forward thinking Stephen Lee. He said what a great decision it was to reverse the previous Government's scheme, which routed the railway towards Armadale, and instead route the railway straight down the freeway to Mandurah. As with most of his statements, it reflected the views of people in Cockburn. The responses I have received in letters, e-mails and so on have been overwhelmingly in support of the Labor Government's decision to route the railway directly to Mandurah as opposed to routing it towards Armadale. People came into my office in Cockburn and said that they thanked God we have reversed the decision to route the railway via Kenwick, because that route would have been an absolute disaster.

Members opposite joke, laugh and interject. The member for South Perth keeps whining about the railway being routed along the middle of a six-lane freeway in his electorate. Members opposite interject and whine because they know they have no chance of winning any seats on the western side of the Kwinana Freeway, and now that we have such fantastic representation by the member for Riverton and the member for Southern River, those opposite have very little chance of winning back seats east of the Kwinana Freeway. However, given that the general view in the southern suburbs is overwhelmingly in support of the Government's decision to route the railway line to Mandurah via the freeway from Perth to Jandakot, one would have thought that tactically, the Opposition would not continue arguing the case for routing the railway line via Kenwick. All the Opposition is doing by continuing to run that line is guaranteeing Labor control of those seats in the southern suburbs which the coalition lost. The Government and members on our side of the House welcome the Opposition's criticisms and interjections. We welcome the Opposition continuing to support the Kenwick option because as long as it does that it will guarantee the Government continued control of those seats.

Mr M.F. Board: You'll see - tell the people there they won't have buses.

Mr F.M. LOGAN: I do not have to tell them anything. I do not hear the member for Murdoch say very often that the Government has made a bad decision. I do not see him mentioned in the local newspapers saying that the rail line should continue to Kenwick.

Mr M.F. Board: Yes, I do.

Mr F.M. LOGAN: No, you do not because you know it is wrong. The member for Murdoch knows that even people in his electorate do not support it. The Opposition should keep going like this - it is doing us a favour.

Why would people in the southern suburbs support that option? As the member for Peel said, the development is moving faster than we can walk. Suburbs in that area are developing so fast that we cannot keep up with them. As an example, imagine that a person has just moved into his new house in Thomsons Lake. Under Labor's proposed route, that person will be able to get on a train at Thomsons Lake and be in Perth in 16 minutes. If that person were going to Perth why would he get on a train that took him to Kenwick; why would a person bother doing that? That would guarantee that people who live south of Jandakot would get in their cars and drive. The proposal was a complete and utter disaster. The Opposition knows that. The problem is that the Opposition cannot admit it. The member for Murdoch keeps interjecting but the reality is that he does not open his mouth in his electorate and say this; he does not write articles in newspapers and say this. He knows he is wrong.

Taking the rail line to Kenwick was bordering on criminal behaviour. The previous Government was so cocky that it decided to start the railway extension by building the Kenwick overpass. Work commenced on the Kenwick line but, worst of all, it dug up the freeway at Jandakot and built a tunnel. People travelling along Berrigan Drive towards the crest at Jandakot will have noticed a tunnel under the freeway. The tunnel goes nowhere.

Mr A.D. McRae: Is there a metre of railway connected with either the tunnel or the overpass?

Mr F.M. LOGAN: Not one metre of railway. Because it is now a tunnel to nowhere, it could be called the Colin Barnett tunnel! Alternatively, it could be called the Graham Kierath tunnel. I suggest the Opposition take up a new hobby such as growing mushrooms in the tunnel. The former Government was stupid and arrogant, and it was shown the door by voters because of its arrogance. It ripped up part of the freeway and built a tunnel that turns to the right off the northbound lane. It should have built a tunnel that goes to the left and right so that at some future date the electrification of the rail line to Fremantle could be completed. That would have shown vision and foresight for the rail system beyond the line to Kenwick or down the freeway. It built only one part of the tunnel; that is, the eastern section.

Mr J.N. Hyde: The southern-bound lane.

Mr F.M. LOGAN: That is right. That is completely useless. Millions of dollars were wasted on that tunnel. Hopefully in the future we will be able to use that tunnel. I keep getting into the minister's ear and the Treasurer's ear about that, because I hope that in our third term in office we will be able to complete the electrification of the whole Perth rail network so that we have a rail ring route and people can get on a train in the city and go through Fremantle and back to Perth, hopefully via Perth International Airport. That is what I am hoping for. That is proper visionary planning. Unfortunately we will be faced for a long time with a tunnel that we cannot use.

The Leader of the Opposition has talked before in this House about planning and the nodules of development in the south west corridor. The member for Vasse also referred to that today. The Leader of the Opposition has said that the reason the railway was planned to go through Kenwick is that there are only small nodules of occupation along the Kwinana Freeway before we get to Kwinana and Rockingham. Obviously, the member for Cottesloe does not go down to that area very much. I am glad he does not go anywhere near my electorate. If the Leader of the Opposition were to drive down the freeway today he would find that there is virtually wall-to-wall housing from South Lake through to Russell Road, and now beyond Russell Road. Housing is being put into that area faster than we can talk. It is planned that over the next 10 to 15 years, 150 000 people will move into the area between Jandakot and Leda. It is patently obvious why we would put the railway along the middle of the freeway: there will be 150 000 new residences on the other side of the hill at Jandakot, and those people will want to get to Rockingham, Fremantle and Perth. Do they want to go to Perth via Kenwick and Armadale? Of course they do not.

Mr M.P. Whitely: As nice as Kenwick is.

Mr F.M. LOGAN: Yes. They want to get into Perth and out again as quickly as possible. I was in London at Christmas time, and unfortunately there was an absolute transport crisis on the railways in the United Kingdom.

Mrs C.L. Edwardes: That does not happen often!

Mr F.M. LOGAN: I am sure the member has seen that as well. That was caused by -

Mr J.N. Hyde: Tony Blair!

Mr F.M. LOGAN: No. It was caused by a Government just before Tony Blair. It was caused by the privatisation of the railways by the former Conservative Governments and by the privatisation of Railtrack. The reason the British rail system is in chaos is that Railtrack, the privatised company, has collapsed.

Mr A.D. McRae: That would have been privatisation by Attila the Hen!

Mr F.M. LOGAN: Absolutely, and the Prime Ministers who followed her. Prime Minister Blair has committed the British Labour Government to spend over £3.5 billion to upgrade the British rail system. As Mr Blair has pointed out to people in the United Kingdom, further track cannot be built. The UK can only upgrade the existing system. More track

will not fit because development in London over the past few years has gone right up to the track. They wish that they could put in more track. When people from the UK come to visit me in Western Australia, one of the first things they say when they see the railway line, bearing in mind the chaos in the British rail network, is that it was a good idea to put it along the freeway in the northern suburbs. They wish Governments in Britain had had the same foresight as Perth had, and had built a railway track in the middle of the M25 in London. That would have provided an immediate ring of rail in the middle of the M25. Mr Blair says there is no room now for such a track. They think what we did here in Perth was an act of genius.

Mr A.D. McRae: Brilliant!

Mr F.M. LOGAN: Brilliant! Which Government made that decision? Which Government built the railway network and reopened the Fremantle railway line? The member for Cottesloe has whined about the closure of the Loch Street station, yet his party closed down the whole railway service to Fremantle. He was part of the Liberal Government that closed down the railway to Fremantle. Which Government opened it up? It was a Labor Government. Which Government electrified the railway? It was a Labor Government. Which Government built the railway along the freeway in the northern suburbs? It was a Labor Government. Which Government will build the railway along the freeway to Rockingham and Mandurah? If the member for Murdoch stays in his seat long enough to get back into government, which I think is doubtful, he will say what a great job it was! He might even claim credit for it, because that is the way members opposite carry on. Unfortunately, Liberal coalition Governments have never been able to claim anything about railways, because they have done nothing at all. All they have ever done is to close them down and whinge about Labor Governments spending money on them. I am glad that the minister has made the decision to build the railway along the freeway. It is a brilliant decision that is supported by people in Perth and those who visit from overseas. She should be congratulated.

MR J.L. BRADSHAW (Murray-Wellington) [10.32 pm]: I was not going to speak in this debate, but I am so annoyed at the mismanagement of this House by the Government that I am now going to speak. We were given a commitment that we would knock off at 10 o'clock tonight, which would have given me the opportunity to go home to Harvey. I will now be staying in Perth thanks to the people on the government benches. Members opposite can now all suffer!

Mr M. McGowan: We are!

Mr J.L. BRADSHAW: They will.

Ms A.J. MacTiernan: You are not reflecting on the quality of your speech making, are you?

Mr J.L. BRADSHAW: I am.

Ms A.J. MacTiernan: I think you are being unparliamentary about yourself.

The ACTING SPEAKER (Mr P.W. Andrews): Order, members!

Mr J.L. BRADSHAW: We were told yesterday that we would be sitting until 10 o'clock tonight. That would have given me the opportunity to get back to Harvey tonight. Under these circumstances, I will not. We should have been sitting last night when all country members were in the city. Country members are quite happy to sit on Wednesday nights. I can tell members that I am not happy to sit on Thursday nights, and neither are the rest of the country members.

This railway line will affect my electorate. I advise those who do not know that the electorate of Murray-Wellington abuts Mandurah. The border of the electorate of Murray-Wellington is across the Serpentine River on the Pinjarra Road.

Mr M. McGowan: Dawesville.

Mr J.L. BRADSHAW: No, not Dawesville. It joins Dawesville at the bottom end, and Roleystone.

Mr F.M. Logan: And Mitchell and Collie.

Mr J.L. BRADSHAW: And Mitchell and Collie.

Mr D.A. Templeman: You are surrounded.

Mr F.M. Logan: On that basis you will support the railway and the route.

Mr J.L. BRADSHAW: I support the railway line.

Mr A.D. McRae: And Joondalup.

Mr J.L. BRADSHAW: I have no problem with Joondalup.

It is important that the railway line to Mandurah is built. One of the disappointments with the Government's proposal is that the line will be built later than was originally planned. The sooner the railway line goes in, the sooner the area down there will open up and people will be encouraged to live there. It will add to the amenity of the area.

We hear constantly about the 12-minute saving for the dear people of Mandurah! However, in 1987 when the new *Australind* commenced, the Government was concerned mostly about the people in Bunbury. The people who lived in

between were treated like second-rate citizens. The train was not accessible from every station in the Murray-Wellington electorate or other areas because the train stopped irregularly at places like Waroona, Brunswick and, I think, Yarloop. It was impossible for those people to travel to Perth every day because of that irregularity.

This Government is focusing on the seat of Mandurah. As I tried to point out to people such as the members for Bunbury and Mandurah, just because their electorates are being looked after with the rail line, that is no guarantee that they will retain their seats. Previous Labor Governments afforded Mandurah and Bunbury extra facilities. However, those electorates changed to Liberal at subsequent elections. The coalition Government tried to look after them, but the wheel turned again. Paying those electorates more attention does not mean much.

People in between Mandurah and Perth and Bunbury and Perth should be treated the same as people in Mandurah and Bunbury. The *Australind* hardly ever runs on time. I used to collect my wife from the train station on a Friday night when she worked in Perth and the train was never on time. The 12-minute saving that is supposed to occur with the train travelling down the freeway will amount to nothing if it does not run on time.

Mr A.P. O’Gorman: The Joondalup train always runs on time.

Mr J.L. BRADSHAW: The member for Joondalup might be lucky. The member for Bunbury has probably gone back to Bunbury.

Mr P.B. Watson interjected.

Mr J.L. BRADSHAW: To achieve that he would have had to leave about six o’clock this evening, but he was still here after that.

I support the concept of the rail line from Mandurah to Perth; albeit, I have problems with the way the Labor Government proposes to implement it.

We will miss a good opportunity to open the Southern River area and bring -

Mr M.P. Whitely interjected.

Mr J.L. BRADSHAW: No; it was not. We must also realise that people live in Mandurah and Rockingham who would like to travel by train to the light industrial area at Kewdale rather than use their cars. The Government has taken away that opportunity.

Mr R.C. Kucera: They can do that.

Mr J.L. BRADSHAW: They cannot.

Mr R.C. Kucera: To Kewdale?

Mr J.L. BRADSHAW: They will not be able to travel there by train because the train will not run through that area.

Mr R.C. Kucera: You can go to Kewdale by train.

Mr J.L. BRADSHAW: I am talking about from Rockingham and Mandurah.

Mr M.P. Whitely: They can go to Perth and then get on the Armadale line.

Mr J.L. BRADSHAW: It will take another hour if people travel that way and another hour to get home.

Several members interjected.

Mr J.L. BRADSHAW: Okay, it is Kenwick. I did not think I was right when I said Kewdale but I could not quite remember the name. Members opposite knew what I meant.

The Peel region has a very high unemployment rate. It would have been good to give the people who live there a chance to get jobs in those industrial areas. They will not be able to get there now because -

Mr M.P. Whitely: They can come to Perth.

Mr J.L. BRADSHAW: It would take them another half an hour to get to Perth and would cost them more money. If they had come from Kewdale -

Ms A.J. MacTiernan: Kewdale? Is that the Opposition’s secret plan?

[Quorum formed.]

Mr J.L. BRADSHAW: It would have been much better for the people in the Peel region, particularly those from Mandurah and Rockingham where there are also high unemployment rates, to get to Kenwick.

The Government has concentrated too much on the option that provides the shortest route to Perth. Although it seems more logical to take a direct route to Perth, other people must be serviced and their needs should be considered. I have some problems with what the Government is doing. It has extended the completion of the project by a year or two. It will be interesting to see whether it can stick to that timetable. If the budget becomes tight, for instance, if the AAA

credit rating becomes a problem because the project goes over budget, the timeframe could be further extended. It is dubious whether the railway line will be completed by 2008. When does the Government plan to have it completed?

Ms A.J. MacTiernan: Some rail will be up and running by 2004.

Mr J.L. BRADSHAW: That will be good to see, if it ever happens. As I said before, it affects my electorate.

I remember when the Labor Party officially opened the Northam railway line before it was finished. That just happened to coincide with an election. Of course, that did not work; the Labor Party lost the election and its sitting members from that area.

Mr A.P. O’Gorman: We now have them back.

Mr J.L. BRADSHAW: The wheel turns. I will give the Government one or two terms. When I was elected in 1983, Brian Burke became Premier. People thought that he was the Second Coming and that he would be the Premier of Western Australia forever. However, gradually we found out what he was like and how bad he was for Western Australia, and he left.

Mr J.N. Hyde: He left office with about an 80 per cent approval rating.

Mr J.L. BRADSHAW: In his electorate?

Mr J.N. Hyde: He retired as Premier.

Mr J.L. BRADSHAW: When people found out what he had been up to, he did not have an 80 per cent approval rating. It sometimes takes a while for these things to get through to the public. Some of the people can be fooled some of the time but eventually people realise what the situation is. The Government was lucky that the finance brokers’ scandal occurred during the last election. It would not have mattered whether the Labor Party or the Liberal Party was in Government; whoever was in office stood a good risk of being defeated. It was fortunate for the Labor Party that the situation occurred when it did. This Government is here by default.

Mr M.P. Whitely: It wasn’t that we were so good, it was that you were so bad. Is that what you are saying?

Mr J.L. BRADSHAW: No, I think we were a very good Government.

Ms A.J. MacTiernan: Why aren’t you in government now?

Mr J.L. BRADSHAW: Because, as I said, the finance brokers’ scandal wiped us out basically.

Mr J.N. Hyde: You blew it.

Mr J.L. BRADSHAW: We did not blow it.

Ms A.J. MacTiernan: We did warn you.

Mr J.L. BRADSHAW: The Australian Labor Party did not know it would win the election.

Mr R.C. Kucera: But we warned you about the finance brokers.

Mr J.L. BRADSHAW: Yes, of course, and maybe some of us should have taken more notice and done more about it at the time.

Ms A.J. MacTiernan: We told you very early on. We gave you very early warning.

Mr J.L. BRADSHAW: The fact is I do not think it would have mattered who was in government; it would have been a real disaster for it.

I am disappointed with the management of the House. Members were given a commitment this morning that they were knocking off at 10 o’clock. I cannot see why we could not have sat last night instead of tonight. I hope the Leader of the House takes on board the suggestion that if he wants to sit a few extra hours, we should do it on Wednesday.

MRS C.L. EDWARDES (Kingsley) [10.45 pm]: We have heard tonight members opposite extolling the virtues of the Perth to Mandurah rail link. When the minister first announced the rail extension in July last year, an enormous spin was put on what the plan would deliver. In one news report of August 2002, after the master plan was released, the virtues were listed as the construction of a \$1.4 billion railway to begin late next year to be completed by 2007, the construction of 11 stations, the purchase of 93 railcars and more than 28 000 people expected to use the service each weekday. The spin on the report is that it is all good news and there are no concerns about the development of the railway. I do not know of any large pieces of infrastructure that have not created a headache or two, had issues identified that have blown out the cost a little or had something unexpected occur.

Ms A.J. MacTiernan: Presumably that would have applied to your rail line as well.

Mrs C.L. EDWARDES: All large pieces of infrastructure.

Another media statement was released today stating that the Mandurah to Perth rail link will generate 6 000 jobs based on the letting of one of the design contracts for the link from Glen Iris to Mandurah. The media release must be read

carefully because it appears those 6 000 jobs will not all be generated by the contract that was let today. The statement refers to the whole life of the project and the whole of the railway. Again, we still do not have the details of the direct and indirect composition of those 6 000 jobs.

Why have we talked about the Joondalup to Perth railway? First, there must be legislation to build a railway, by virtue of section 96(1) of the Public Works Act. The Government needed to construct the railway from Jandakot to Perth because the legislation had already passed through this Parliament dealing with the southern urban extensions from Mandurah, which is why the contract was able to be let today for the area from Mandurah to Glen Iris. It also dealt with the northern extension. All the legislation is doing now is dealing with the changed route that this Government has adopted. That needs to be put on the record to complete the picture about what we are debating and why we are debating legislation relating only to the Jandakot to Perth rail. The direct route has changed and the railway now will come up the freeway. The member for South Perth has expressed his very strong views, which are the views of many people, about the blight on many people's view of the river if the railway line comes up the centre of the freeway. The member has expressed quite strongly the view that the line should be sunk. In terms of capital costs, the expenditure would be well worthwhile.

A couple of weeks ago I was at the Old Swan Brewery. A magnificent job has been done at the Old Swan Brewery. My companions and I were sitting overlooking the river and I said what a shame it will be to see the train line on the freeway. It will be a blight. The minister is to be commended for changing her position on the route through the city of Perth and sinking the rail line between the city and the river. As she well knows - I have raised the issue in the House before - it would have been an absolute travesty to put the rail line right on the foreshore. The Perth foreshore needs to be protected. Sinking the railway line there is a very good decision. I do not agree that the route through the city of Perth that has been selected is necessarily the best route.

I will convey to members some of the views that have been expressed to me by many planners in the city. I am not a planner - not in the slightest. Therefore, I listen to those people who have greater expertise in this area than I. One of the things they consistently say is that we need to ensure there is genuine integration between land use and transport and that this is driven by planning principles rather than by engineering in a planning vacuum. Another view is that there should always be the potential for a long-term city loop. I have expressed this view in the past. I want to hear from the minister in her response that the long-term city loop will be protected by the proposal for the line to go down William Street. Putting the line down William Street will split the city from east to west. If it had followed the Parliament Place route, we would have created not only the opportunity to value add to the West Perth area but also the potential for the loop. I hope the minister will be able to explain how the city loop will be protected at some point in the future.

The proposal in 1972 was for eight stations on a loop from the central business district area, including Thomas Street, Havelock Street, Milligan Street, William Street, Pier Street, Hill Street, Forrest Place and the Western Australian Cricket Association. That was changed in 1993 with the Burswood Road alternative route going past the East Perth Redevelopment Authority and connecting at the East Perth station. There was also the tunnel and those changes that have occurred since 1972. Cities in Australia such as Melbourne and Sydney - one day Perth will be the same size as Melbourne or Sydney - have provided for a loop in their central business district. I would like to hear the minister say that the city can be stretched, that the city will not be split by the railway, and that at some time we will be able to link up West Perth and the eastern suburbs, and East Perth as well.

Ms A.J. MacTiernan: Have you read the Perth City Rail Advisory Committee report on that?

Mrs C.L. EDWARDES: Yes, I have. The committee said that it preferred the eastern route as against the Parliament House route, although there is some conjecture among planners about which route would have been the best one.

Ms A.J. MacTiernan: Certainly, Martyn Webb and Max Hipkins have stayed wedded to the -

Mrs C.L. EDWARDES: The minister has convinced people, as a matter of necessity, I believe, to accept the William Street option. However, whether that is the best option is still arguable and open to debate, particularly regarding the future CBD loop. After the minister said, "This is the route we'll take; we're going up William Street", a group of planners got together, employed some consultants and came back with three new CBD rail routes. Of course, we know that the minister did not accept those routes, despite some of the good figures that were projected. In particular, one option dealt with value adding. For the Parliament House route in particular, it was identified that the potential for development was 10 times greater than that for the William Street site. A lot of good thought went into those other options. However, the minister had already received cabinet approval for the William Street option. Therefore, what was the best way for her to get the planners on side? It was to sink the rail in front of the foreshore, change the station and have the connection to the Perth Central Station, all of which is good under the option the minister put forward. However, whether it is the best option is still to be decided.

I will deal with some of the issues regarding the William Street option and the new station to be connected to the Perth Central Station. It is acknowledged that the buildings in that area will be demolished, except for their facades. We do not know - we would like to hear from the minister on this - what protection those facades currently have. Have they been listed yet?

Ms A.J. MacTiernan: None of them is listed.

Mrs C.L. EDWARDES: Has the minister put them forward for listing?

Ms A.J. MacTiernan: No, none of them is heritage listed.

Mrs C.L. EDWARDES: Will they be put forward for listing?

Ms A.J. MacTiernan: No.

Mrs C.L. EDWARDES: Why not?

Ms A.J. MacTiernan interjected.

Mrs C.L. EDWARDES: Some people will be quite surprised to learn that those facades will also be demolished. The lessees of those properties are absolutely adamant that the matter has not been discussed with them. If the minister says they have been spoken to, yes, they have been, because there has been contact with the minister's office. They have asked when they will hear from the minister about what will happen etc. There is a lot of concern in the community about the lessees and the fact that this is already starting to impact upon their businesses. In fact, I heard today that one owner of a property has still not been spoken to. Therefore, when the minister says that she has spoken to the owners and they are happy about what has been proposed, I suggest that she should go back and explore in detail the content of those conversations that have taken place. I know a meeting is taking place tomorrow with the Western Australian Government Railways Commission, Stuart Hicks and Mark Werrett, to start that ball rolling. That has been lacking in this process.

The minister has been somewhat contradictory in her responses about where planning will take place. There has been some debate in this place about the minor amendment 1060/33A, and whether or not it should be a major amendment. The difference between a minor and a major amendment is that the minor amendment is essentially non-substantial in impact, change of classification of land use or cost. There is no need to obtain ministerial approval for advertising the proposed amendment. It is open for submissions and public comment for only 60 days. The hearings into the submissions are deleted from the process.

Ms A.J. MacTiernan: I have changed that.

Mrs C.L. EDWARDES: Can the minister let us know in her response?

The final approval for an amendment is given by the minister, but the minor amendment is not tabled in the Parliament. Although the minister says the legislation is going through, which will allow for debate, it does not allow people who may be impacted by that southern rail link to play a part. Because of her contradictory statements about the timing, and then the personal explanation that it was just to address an anomaly, we have told the minister in this House that it is far too wide. Today I said that, because of the nature of the amendment, it can actually cover every blue and red road on the metropolitan region scheme. It is frightening to think that any Government in the future can, without development approval, put rail on road. That is what the amendment means. When I asked for a guarantee for the people of Western Australia that the minister would seek all planning approvals, the minister said she would seek all necessary planning approvals. I am paraphrasing the minister to the extent that I remember her words. She said that minor amendments did not need planning approval.

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

Mrs C.L. EDWARDES: She did not intend to seek approval for a minor amendment. Today, however, the minister said she intended to seek planning approval. I hope the minister in her response can identify the process quite clearly. What stage has the environmental assessment reached? How will local councils be involved in that planning approval process? The minister has made a couple of contradictory statements, and we really do not know what will actually be incorporated into that development planning approval process.

Ms A.J. MacTiernan: In my reply today, I set out the aspects that required planning approval.

Mrs C.L. EDWARDES: That is right; so where the minor amendment for rail on road applies and planning approval is not required, it will not be sought?

Ms A.J. MacTiernan: I did not say that.

Mrs C.L. EDWARDES: The minister needs to get her words right, because she is contradicting herself. She should wait until her response to the second reading debate, and then tell the House what she is proposing to do about environmental and development planning approval, and how local councils will be involved. What will the time frame be for that process?

On one occasion the minister said that timing for the amendment is critical. Of course it is. Yet, on another occasion she said that it has nothing to do with the southern metropolitan railway.

Ms A.J. MacTiernan: It is not specifically -

Mrs C.L. EDWARDES: It is certainly not specific. The minor amendment will mean that any future Government can put a rail line on any road.

I bring the minister's attention to a motion that was passed by the Perth City Council on Tuesday evening. It is concerned that the proposal to sink the rail line has not been sufficiently encompassed in the schedule to the Bill.

Ms A.J. MacTiernan: Unfortunately, that is a result of Martyn Webb not being able to read the plans. He got himself quite confused about that.

Mrs C.L. EDWARDES: The minister can assure not only the City of Perth but also the people of Western Australia that the schedule is correct. The Perth City Council recommended that the Bill be amended to reposition to the west the termination point of the line described in schedule 1 to allow an underground connection of the proposed William Street tunnel and the existing Roe Street tunnel on the Joondalup line. I understand that that means determining the lowest point of the tunnel - the depth. That is done by taking the diameter of the tunnel, the depth of the soil on the top and the width of the concrete. I do not know how many metres we are talking about, but is it possible that if the schedule is wrong, section 96 of the Public Works Act will allow the Government some latitude in deviation and/or variation? Section 96(1) states -

... but it shall be lawful to deviate from such line at a distance of 1.6 kilometres on either side thereof, or such other distance as may be provided in any special Act.

Will the minister investigate this - she may have already done so - and tell the House whether the coordinates in schedule 1 are correct? Will she also tell us whether, if the deviation is, say, 10 or 100 metres out, the schedule will need to be amended or if section 96(1) of the Public Works Act gives the minister the lawful authority to alter the coordinates?

The second recommendation of the Perth City Council was that the legislation include the authorisation for the undergrounding of the Fremantle line, at least between the Horseshoe Bridge and the Mitchell Freeway. Is that necessary? The minister has mentioned Martyn Webb. The proposal, which he is on the record as supporting, includes the undergrounding of a section of not only the Fremantle line but also the Joondalup line. From memory, he has said that that would provide 32 hectares on which value-adding enterprises could be developed. Given that both areas involve rail on rail reserve, do those lines need to be deviated for undergrounding to occur? What would be the difficulties with that? I know that that is not part of the Government's proposal; however, if such authorisation is needed, it would make sense to incorporate it in the Bill now. I ask whether it is necessary. Section 96 covers only railways to be constructed, but the rest of that section of the Act deals with railways on roads, how they cross roads and the like. I do not know whether that authorisation is needed. Will the minister advise the Parliament? I think Martyn Webb would be regarded in this city as a highly respected town planner.

Ms A.J. MacTiernan: What has he ever planned? He is a retired geography lecturer.

Mrs C.L. EDWARDES: He is a former professor of geography at the University of Western Australia.

Ms A.J. MacTiernan: What planning did he do?

Mrs C.L. EDWARDES: The minister can question his town planning skills. I understand many planning consultants in the city regard Martyn Webb very highly.

Ms A.J. MacTiernan: I am just wondering where he ever worked as a planner?

Mrs C.L. EDWARDES: If the minister wishes to question Martyn Webb's credentials, she can go right ahead.

Ms A.J. MacTiernan: The member is calling him a planner.

Mrs C.L. EDWARDES: I will let the minister question Professor Martyn Webb's credentials. If the minister did sink the Joondalup and Fremantle lines, she would gain 32 acres - not hectares - of land. That considerable amount of land could be developed and would really open up the area and provide for some genuine links.

Another aspect I would like to raise is to do with the Perth foreshore and the city centre. Earlier this year during estimates, I raised with the minister the sinking of Riverside Drive. The minister's response was that if that was my view and opinion, I would be in opposition for a long time. That was a very short-sighted comment by the minister and one that might take her from election to election; it was certainly not a comment of vision for years to come. The minister needs to keep the sinking of Riverside Drive on her agenda. If she opened up the area from central railway station and beyond in Northbridge right down to the river, it would be fantastic for the people of Western Australia. I have seen people stand across the road from the belltower taking photographs and never crossing the road. The road has become a barrier for not only the residents of the City of Perth but also many tourists. It would be nice to sink Riverside Drive as part of a long-term vision and not just a vision that runs from election to election. I hope the minister takes that matter on board and includes it in her planning. She should talk to some of the shop and restaurant owners near the belltower and ask them how good it has been to have the area cleaned up and the extra parking that has been provided. Those shop owners need to get the people into their shops.

Ms A.J. MacTiernan: That will be the advantage of having a railway station at The Esplanade. The trains will bring 40 000 people a day into the city.

Mrs C.L. EDWARDES: I do not think 40 000 people will get off at The Esplanade. They will still have to cross that road. If the minister sinks the road, a few more people might head off towards Barrack Square.

I draw the minister's attention to an article in the *New York Times* of 11 July 2002 reporting a study about overruns in public projects. It stated that cost overruns for large public works projects had stayed largely constant for most of the last century. It continues -

The biggest errors were in rail projects, which ran, on average, 45 percent over estimated costs.

Some assumptions are made about why that might have happened -

“Either the people who do the budgets are incredibly stupid, -

I do not think that is necessarily the case -

but that is highly unlikely,” . . . “The other possibility is they manipulated budgets to make sure the projects are approved.”

We on this side of the House support rail. I have campaigned for rail in the northern suburbs, as members opposite know. However, there are some concerns, particularly in respect of the potential for cost overruns and the engineering prospects. There is also concern about the Myer buildings. What will happen to them is very uncertain, because \$40 million may not go anywhere near the cost of demolition. I do not think that the estimate of the demolition time has taken into account the asbestos clean-up work that needs to be done. The basements of the building are riddled with asbestos and have not been allowed to be occupied for some time. WorkSafe has issued many orders in respect of those properties.

There are also concerns about the other building on the corner of William Street and Murray Street. Although the Government believes that engineers can tunnel underneath the building, that may not necessarily be the case. The Government always couches its approach in terms that it would like to have a tunnel under the building and going across Murray Street to the old Myer buildings and others. That may not be possible, and that building may also have to be demolished.

The Bill gives authorisation for the establishment of a committee of the State Planning Commission to undertake most of the work involved in the City of Perth. It has a huge task ahead of it. I hope that the minister in her second reading response will outline clearly the order of priority of issues that need to be undertaken by that committee in the first instance.

Debate adjourned, on motion by Mr J.C. Kobelke (Leader of the House).

FAMILY COURT AMENDMENT BILL 2001

Council's Amendments

Amendments made by the Council now considered.

Consideration in Detail

The amendments made by the Council were as follows -

No 1

Schedule 1, clause 1, page 103, line 21 - To insert after “of” the word “surviving”.

No 2

Schedule 1, clause 1, page 103, line 22 - To delete “to”.

No 3

Schedule 1, clause 2, page 104, line 1 to page 105, line 16 - To delete the lines.

No 4

Long title, page 1 - To delete “**and the Interpretation Act 1984**”.

Mr J.A. McGINTY: I seek leave to consider amendments Nos 1, 2, 3 and 4 en bloc.

Leave granted.

Mr J.A. McGINTY: I move -

That amendments Nos 1 to 4 made by the Council be agreed to.

I briefly indicated to the House that the first two amendments appear at page 103, lines 21 and 22. The word “surviving” was deleted before the word “spouse” and the word “to” was included in the amendments which deleted

part of the heading to the fourth schedule of the Administration Act. The heading did read, "Rights of surviving spouse of intestate as respects the matrimonial home." It will now read, "Rights in respect of dwelling houses." Please note that the Clerk had authorised the changes as clerical, but given the need for further amendments, they were moved as formal amendments.

The following two amendments, Nos 3 and 4, deal with amendments to the Interpretation Act. The Interpretation Act was amended by the Acts Amendment (Lesbian and Gay Law Reform) Act 2002, as the order of the passage of the Bills in the Council was reversed. Therefore, the proposed clauses amending the Interpretation Act are no longer required. The long title was amended accordingly; that is, the Interpretation Act was deleted from the list of Acts amended. As can be seen, these are appropriately described as clerical amendments only.

Question put and passed; the Council's amendments agreed to.

The Council acquainted accordingly.

ADJOURNMENT OF THE HOUSE

MR J.C. KOBELKE (Nollamara - Leader of the House) [11.21 pm]: I move -

That the House do now adjourn.

Question put and a division taken with the following result -

Ayes (21)

| | | | |
|------------------|--------------------|---------------------|---------------------------------|
| Mr P.W. Andrews | Mr R.C. Kucera | Mr N.R. Marlborough | Mr P.B. Watson |
| Mr J.J.M. Bowler | Mr F.M. Logan | Mrs C.A. Martin | Mr M.P. Whitely |
| Dr J.M. Edwards | Ms A.J. MacTiernan | Mr A.P. O'Gorman | Ms M.M. Quirk (<i>Teller</i>) |
| Mr S.R. Hill | Mr J.A. McGinty | Mr J.R. Quigley | |
| Mr J.N. Hyde | Mr M. McGowan | Mr E.S. Ripper | |
| Mr J.C. Kobelke | Ms S.M. McHale | Mr D.A. Templeman | |

Noes (9)

| | | |
|-------------------|-------------------|------------------------------------|
| Mr C.J. Barnett | Mr J.P.D. Edwards | Mr D.F. Barron-Sullivan |
| Mr M.F. Board | Mr W.J. McNee | Ms S.E. Walker |
| Mrs C.L. Edwardes | Mr P.G. Pandal | Mr J.L. Bradshaw (<i>Teller</i>) |

Pairs

| | |
|-------------------|---------------------|
| Mrs D.J. Guise | Mr R.A. Ainsworth |
| Mr A.J. Carpenter | Mr B.J. Grylls |
| Mrs M.H. Roberts | Mr M.G. House |
| Dr G.I. Gallop | Mr M.W. Trenorden |
| Mr A.J. Dean | Mr T.K. Waldron |
| Ms J.A. Radisich | Ms K. Hodson-Thomas |
| Mr M.P. Murray | Mr M.J. Birney |
| Mr J.B. D'Orazio | Mr A.D. Marshall |
| Mr C.M. Brown | Mr R.F. Johnson |

Independent Pair

Dr J.M. Woollard

Question thus passed.

House adjourned at 11.23 pm

QUESTIONS ON NOTICE

| |
|---|
| Questions and answers are as supplied to Hansard. |
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SOUTHERN-WONGONG RIVER, WATER FLOW

2. Mr B.K. Masters to the Minister for the Environment and Heritage

- (1) Have landowners on the Southern/Wongong River recently been advised that they are now able to draw water from the river between 6.00 p.m. and 6.00 a.m. each day?
- (2) Under natural conditions, would the Southern/Wongong River normally be dry at this time of year, without any flow of water moving down the river?
- (3) If yes, why is water being discharged down the Southern/Wongong River?
- (4) Why are unnatural environment conditions (involving water flow at a time of year when natural flow would not occur) being created when no discharge of water down the river would be the preferred environmental outcome?
- (5) To what purposes is water extracted from the Southern/Wongong River being put?

Dr J.M. EDWARDS replied:

- (1) No, landowners who have a legal right to take water from the Southern/Wongong River have been advised that they may only take water 2 days a week, between 6:00pm and 9:00am to irrigate their gardens associated with their dwellings.
- (2) Prior to the construction of the Wungong Dam in 1976, the river would have had minimal flows at this time of the year and, depending on rainfall, may have occasionally dried up in a few places. The construction of the dam, and a decreasing trend in rainfall over the past 25 years, has resulted in the river drying up regularly in summer and autumn.
- (3) Since the construction of the dam, water has been released into the river system to supplement any natural flow down stream that may have been diminished by the construction of the dam. These flows are maintained for the benefit of the river's ecology and those landowners who have a legal right to take water.
- (4) Prior to the construction of the dam, historical records indicate there were summer flows, so the release of water is aimed to maintain the ecological values that are dependant on this flow. The Water and Rivers Commission has conducted preliminary research into the flow regime required to maintain these ecological values, which will be followed up with research into the social and abstraction uses of the river.

There are a number of commercial irrigators still reliant on the river as their main source of water. In addition, the City of Gosnells waters public open space and a number of properties with a legal right to take water use it for domestic garden use.

STATE REFERENCE NETWORK GAUGING STATIONS, CLOSURE

3. Mr B.K. Masters to the Minister for the Environment and Heritage

- (1) Is it true that a large number of the State Reference Network gauging stations have been closed in the last two years or have ceased to be monitored?
- (2) If yes, is it true that this closure and/or mothballing of stations is due to a lack of adequate funding, resulting in a shortage of staff to maintain and monitor these stations?
- (3) Do the stations contained within the State Reference network provide water resource information, allow calculation of pollutant loads and provide flood management information for protection of life and limb?
- (4) Is it true that the station in the Diamond Gorge on the Fitzroy River was destroyed during the recent floods, and that inadequate or an absence of maintenance was the reason why the flood was able to destroy the station?
- (5) Have a large number of water resource information stations for water supply inflow been closed in the past 10 years?
- (6) Was the gauging station in the Blackwood River, that was intended to provide reference information for discharge monitoring from the now closed BHP Beenup minesite, recently closed?
- (7) What impact do the closures of these stations have on the ability of Government agencies to predict water quantity and quality, together with flood risk, throughout the State, in particular within the South west land division?

Dr J.M. EDWARDS replied:

- (1) The Water and Rivers Commission has advised that the number of operating surface water gauging stations throughout the State has been rationalised from 370 in early 1999 to the current number of 280.
- (2) The rationalisation in the number of gauging stations is the result of a review of the priorities of the State's surface water monitoring network.
- (3) Yes.
- (4) The Diamond Gorge gauging station on the Fitzroy River was built in 1962 and destroyed during the February 2002 flood. The gauging station was destroyed, as the level of flooding in February 2002 was 1.5 metres higher than the largest flood on record.
- (5) The number of operating water resource information stations has been rationalised since early 1999 as noted in Question (1). The rationalisation in the number of these stations is the result of a re-assessment of information required from water supply catchments.
- (6) No.
- (7) The rationalisation in the surface water-monitoring network was carried out with a clear view to minimising the risk of a lack of adequate water resource information.

POLICE ACT 1892, REVIEW

9. Mr M.J. Birney to the Minister for Police and Emergency Services

- (1) Will the Minister be proposing, or is the Minister currently working on, broad changes to the current Police Act 1892?
- (2) If yes, when is it anticipated these changes will be made?

Mrs M.H. ROBERTS replied:

- (1)-(2) Yes. A continuing process of legislative reform proposes that the Police Act 1892 will be replaced through the enactment of a number of pieces of legislation.
The ongoing process of reform includes amendment to the dismissal provisions (Section 8) and monetary penalties (Section 23).
The ongoing process of reform may also incorporate the outcomes and recommendations of the Police Royal Commission.

GOVERNMENT DEPARTMENTS AND AGENCIES, STAFF ON THE "ATTACHED LIST"

34. Mrs C.L. Edwardes to the Attorney General; Minister for Justice and Legal Affairs; Electoral Affairs; Peel and the South West

- (1) How many staff are on the 'attached list' within the portfolios of the Attorney General, as at 31 May 2002?
- (2) Of those staff on the 'attached list', how many are registered as redeployees with the Public Sector Management Office?
- (3) Of those staff on the 'attached list', how many are not registered as redeployees with the Public Sector Management Office?
- (4) Of those staff on the 'attached list' and registered with the Public Sector Management Office, how many are in each classification grouping?

Mr J.A. McGINTY replied:

DEPARTMENT OF JUSTICE

- (1) 71.
- (2) Nil.
- (3) 71.
- (4) Not applicable

DIRECTOR OF PUBLIC PROSECUTIONS

- (1) Nil
- (2)-(4) Not Applicable

ELECTORAL COMMISSION

- (1) Nil
- (2)-(4) Not Applicable

EQUAL OPPORTUNITY COMMISSION

- (1) Nil
- (2)-(4) Not Applicable

LEGAL AID WA

- (1) 2 (one of whom will be placed in a position after 1 July 2002)
- (2) None.
- (3) 2.
- (4) Not Applicable.

OFFICE OF THE INFORMATION COMMISSIONER

- (1) Nil
- (2)-(4) Not Applicable

OFFICE OF THE INSPECTOR OF CUSTODIAL SERVICES

- (1) Nil
- (2)-(4) Not Applicable

PEEL DEVELOPMENT COMMISSION

- (1) Nil
- (2)-(4) Not Applicable

SOUTH WEST DEVELOPMENT COMMISSION

- (1) 1
- (2) None.
- (3) 1.
- (4) Not Applicable.

BUSSELTON WATER BOARD, RENEWAL OF APPOINTMENTS

56. Mr B.K. Masters to the Minister for the Environment and Heritage

- (1) For what reason has the Minister chosen to renew the appointments to the board of the Busselton Water Board so that all members retired within the 12 month period of May 2002 and May 2003?
- (2) Why have some members recently been reappointed for just 19 months when most reappointments are for a 3 year period?
- (3) If the Minister is planning to appoint new members other than those currently serving on the board, is he concerned at the loss of corporate knowledge that would occur if all board members after May 2003 were new appointees?
- (4) Is the Minister planning on abolishing the board and incorporating the activities of the Busselton Water Board within the Water Corporation?

Dr J.M. EDWARDS replied:

- (1) The Office of Water Regulation refers you to the Premier's Circular number 2002/11, issue date 28/05/02 which states '..... Until the work of implementing the structural reforms recommended by the Machinery of Government Taskforce is complete, the maximum term for any new or renewed appointments to Boards and Committees must not extend past 31 December 2002'.
- (2) See point 1.
- (3) See point 1.
- (4) No.

MINING LEASE 37/30 AND MISCELLANEOUS LICENCE 27/83, SEEPAGE MANAGEMENT PLAN

58. Mr M.J. Birney to the Minister for State Development

With reference to the answer to questions on notice Nos 1736 and 1737 I ask -

- (a) will the Minister explain the reasons why uncontrolled loss of hypersaline water from the evaporation pond to the environment must occur given the general saline nature of the area surrounding the mine and other areas in relative close proximity;
- (b) if not, why not;
- (c) will the Minister state the amount or quantity of dissolved salts in mg/Litre of the hypersaline water that was being pumped into the evaporation pond;
- (d) if not, why not;
- (e) will the Minister provide all Departmental correspondence sent to the tenement holders encouraging or directing that a saline water evaporation pond be built to store water that was pumped from underground at the mine;
- (f) if not, why not;
- (g) will the Minister explain how Regulation 98 of the Mining Regulations was applicable to the pastoralist and the reasons why the Department was of the view that Regulation 98 applied to both the tenement holders and the pastoralist; and
- (h) if not, why not?

Mr C.M. BROWN replied:

I am advised:

- (a) There are no acceptable reasons why the uncontrolled loss of hypersaline water must occur. On the contrary, such loss should not occur as any loss of hypersaline water to the surrounding environment has the potential to cause severe impact on vegetation growing there.
- (b) N/A.
- (c) Information on the actual water discharged is not available, however the salinity of ground water in this region would be expected to contain in excess of 100,000 mg/L of dissolved salts.
- (d) N/A.
- (e) I have asked the Department to make the relevant files available to the Hon Member for his perusal should he wish to personally examine the correspondence.
- (f) N/A.
- (g) Section 98 is there to protect the interests of other land users. It states that the holder of a mining tenement should not cause an inconvenience to other landholders and land users including pastoralists. In this case it applied to the pastoralist as the affected party.
- (h) N/A.

DANDALUP-KARNET WATER MOUND, GAZETTAL

64. Mr J.L. Bradshaw to the Minister for the Environment and Heritage

- (1) Does the Water Corporation intend to gazette the Dandalup-Karnet Water Mound to protect this water from pollution?
- (2) If so, when will this process be finalised?
- (3) Is the Minister aware that this proposal is causing problems with regard to planning issues?

Dr J.M. EDWARDS replied:

- 1. The Water and Rivers Commission is responsible for the proclamation and gazettal of existing and new areas considered suitable for drinking water supply. The Karnup-Dandalup resource is recognised as a potential future drinking water resource and is listed for proclamation. It is presently not planned to be developed prior to 2010.
- 2. The timing of this proclamation is dependent on the priority of this particular area in relation to its intended future use as a drinking water supply by a suitable water service provider, such as the Water Corporation. The Commission is currently reviewing the priority of this area with the Water Corporation. If it is determined that

it should be proclaimed as a priority, the likely timeframe for preparation and full public consultation of a suitable proposal and finalisation of the subsequent proclamation process is 18 to 24 months.

3. The planning issues being experienced in this situation are not uncommon. The dilemma is caused by the different timeframes and priorities of the planning process and those that relate to current and future drinking water resource protection.

The issues often raised include claims about the need for compensation (where land owners find limitations may apply to the potential future use of their land to avoid the risk of contaminating a water resource) and competing environmental values (where the water resource has other environmental values such as wetlands, primary industry, industry or recreation that need to be considered).

Often existing land uses are permitted to continue sometimes with best practice constraints. In the same way that Planning does not provide for development opportunities, Water Resource Protection does not provide for compensation against future possible changes in land use.

The Commission is working with the Western Australian Planning Commission to address this matter and part of the solution is being provided in the planned finalisation of a 'Statement of Planning Policy: Public Drinking Water Source Policy'. The public submission period on this document closed on 29 March 2002.

The Commission also prepares 'Water Source Protection Plans' for each water source. These provide the opportunity for open discussion and decision making with the community and other stakeholders for specific drinking water resources once they have been identified as a priority.

The relevant affected community will be advised as soon as a decision has been made concerning the future of the Karnup-Dandalup resource.

SOUTH WEST DRAINAGE DIVISION, PIPEHEAD, STORAGE AND DRINKING WATER SUPPLY SITES

70. Dr E. Constable to the Minister for the Environment and Heritage

With reference to the answer to question on notice No. 1514 –

- (a) what are the locations of the 29 pipehead development sites in the South West Drainage Division;
- (b) what are the locations of the 38 storage sites in the South West Drainage Division;
- (c) what are the locations of the 12 possible sites that may be potentially affected by reservation into the conservation estate under the Government's Protecting our Old Growth Forests policy; and
- (d) what are the locations of the 7 sites currently being developed or likely to be needed to be developed for drinking water supply purposes before 2020?

Dr J.M. EDWARDS replied:

- (a) Location of 29 pipe-head development sites in the Southwest Drainage Division interacting with CALM estate – I now table attachment 1. [See paper No 224.]
- (b) Locations of 38 storage sites in the South West Drainage Division interacting with the CALM estate – I now table attachment 2. [See paper No 224.]
- (c) Locations of 12 possible sites potentially affected by reservation into the conservation estate under the Government's Protecting our Old Growth Forests policy – I now table attachment 3. [See paper No 224.]
- (d) Locations of 7 sites currently being developed or likely to be developed for drinking water supply purposes before 2020 – I now table attachment 4. [See paper No 224.]

The information tabled is derived from a Water and Rivers Commission review of scheme water reserves in the south-west of the State on 9 April 2002 in relation to the upcoming Forest Management Plan. These reserves were identified as possible future sources of public supply over the next 2- 3 decades.

NEWTON MOORE SENIOR HIGH SCHOOL, DESIGN CAPACITY

77. Mr B.K. Masters to the Minister for Education

- (1) Does the design of Newton Moore Senior High School in Bunbury meet present day design, layout and construction/building standards for a Government high school?
- (2) Is the school student population now beyond the school's design capacity and, if so, by how many students?
- (3) What is the number of students that the school is designed to accommodate?
- (4) What studies have been done in recent years on student problem behaviour?

Mr A.J. CARPENTER replied:

- (1) Newton Moore Senior High School opened for the first time in 1966. The architectural design and layout, together with the construction methodology, reflect the planning and provision of secondary schools at that time.

Since 1966 the existing facilities have been upgraded and new facilities have been added -

- 1993/94, Education Support facilities were provided at a cost of \$479 000;
- 1997/98, a new Performing Arts Centre was provided at a cost of \$1.07m;
- 2001/2002 upgrade to the administration/staff facilities and the Design and Technology areas - \$1m allocation.

Teaching areas are consistent with the parameters of the generic design brief for secondary schools.

- (2)-(3) Currently, the school comprises 39.5 effective full teaching areas (EFTAs) in permanent construction and six transportable classrooms, giving a total of 45.5 EFTAs. It is considered that the capacity of this amount of classroom accommodation is 1130 – 1150 students. In February 2002, there were 1128 students enrolled in Years 8 - 12 at the school.
- (4) The school has undertaken an analysis of challenging behaviours, particularly in Years 8 and 9. Suspension, exclusion, attendance and retention rates have been examined as part of this analysis.

TOURISM, NATURE-BASED, REVENUE

84. Mr B.K. Masters to the Minister for Tourism

- (1) I refer to the Minister's media statement of 4 July 2002, and ask how is the figure of \$3 billion as the amount of money currently generated for Western Australia from nature-based tourism calculated?
- (2) What is the definition of nature-based tourism as was used in calculating this \$3 billion figure?
- (3) What is the geographical break-up of where this \$3 billion figure is generated within the different regions of Western Australia?
- (4) Where have the tourists who have spent this \$3 billion on nature-based tourism come from ie Perth, other intrastate, interstate, or overseas?
- (5) For each of the 4 groups of tourists referred to in the (4) above, what is the average amount of money spent per tourist per day spent by tourists in each group category?
- (6) Has an assessment been made of the cost of managing the environmental values and assets that are impacted upon by nature-based tourists and, if so, how are these management costs paid for?

Mr C.M. BROWN replied:

I am advised:

1. The \$3 billion figure referred to is derived from two sources – the National Visitor Survey and the International Visitor Survey. These research programs are managed by the Bureau of Tourism Research in Canberra.
2. Tourism that features nature is generally termed environmental or 'nature based tourism', a broad term that includes a range of tourism experiences including adventure tourism, ecotourism, and aspects of Aboriginal culture.
3. It is not possible to disaggregate the data to the regional level as statistical reliability cannot be assured.
4. It is estimated that 65% of the expenditure is attributable to international visitor and 35% attributable to domestic visitors. Again, for statistical estimation reasons, it is not possible to disaggregate these data beyond this level.
5. For statistical estimation reasons, it is not possible to provide these data.
6. No.

POWER STATIONS, MINIMUM BUFFER

90. Mr J.L. Bradshaw to the Minister for State Development

- (1) Do power stations have a minimum buffer?
- (2) If yes, what is that distance surrounding a power station?

Mr C.M. BROWN replied:

I am advised:

1. Power stations do not have a minimum buffer distance. Their buffer requirements are determined on a case by case basis, but are generally in the range of 2,000 to 5000 metres, depending on factors such as fuel and size. The buffers are put in place to ensure neighbouring areas are not exposed to impacts such as noise, risk and air emissions.
2. N/A

ALCOA WORLD ALUMINA AUSTRALIA, DR BRIAN GALTON-FENZI, REPORT

94. Mr B.K. Masters to the Minister for State Development

- (1) Does the Department of Mineral and Petroleum Resources have a policy relating to its employees undertaking private consulting work?
- (2) If yes, what does the policy state in relation to the need to disclose possible conflicts of interest?
- (3) At the time of Dr Brian Galton-Fenzi's preparation of a report to Alcoa World Aluminium Ltd on health issues at Alcoa's Wagerup refinery, including advice on the health of Mr Ian Grant, was the department aware of the existence of Dr Galton-Fenzi's private company (The Healthy Worker Pty Ltd)?
- (4) Did Dr Galton-Fenzi seek and was he then given approval by his superiors to undertake this private work?
- (5) Was the potential for a conflict of interest assessed by Dr Galton-Fenzi and his superiors prior to the commencement of this private work in 1997?
- (6) If the issue of a possible conflict of interest was assessed prior to the commencement of this work, what information did Dr Galton-Fenzi provide to his superiors to explain the possible conflict and what response did his superiors provide back to Dr Galton-Fenzi?

Mr C.M. BROWN replied:

I am advised:

- (1) Yes
- (2) The External Paid Employment Policy in part states that public sector employees have an obligation to exclude themselves from activity that has the potential to generate a conflict of interest.
- (3) Yes
- (4) Dr Galton-Fenzi provides specialist medical advice to the Department under a contractual arrangement. This is a part time arrangement and Dr Galton-Fenzi is not an employee of the Department. The Department does not need to approve of Dr Galton-Fenzi undertaking private work.
- (5) Yes, both the Department and Dr Galton-Fenzi are aware of the importance of complying with contractual arrangements relating to conflict of interest.
- (6) See 4 and 5 above.

GOVERNMENT EMPLOYEES HOUSING AUTHORITY, BUSSELTON

120. Mr B.K. Masters to the Premier; Minister for Public Sector Management; Federal Affairs; Science; Citizenship and Multicultural Interests

- (1) How many public servants or other employees from agencies that fall within your portfolio responsibilities are employed in positions that are located within the Busselton townsite?
- (2) Of these people, how many are accommodated in dwellings owned by or otherwise under the control of the Government Employees Housing Authority (GEHA)?
- (3) For those public servants or other employees in Busselton GEHA accommodation, how many of them were provided with GEHA accommodation as a condition or prerequisite of their employment in Busselton or as part of their redeployment package to Busselton from elsewhere in Western Australia?

Dr G.I. GALLOP replied:

I am advised that :

Department of the Premier and Cabinet

- (1) None.
- (2) Not Applicable.
- (3) Not Applicable.

Anti-Corruption Commission

The Anti-Corruption Commission has provided the following information:

- (1) None.
- (2) Not Applicable.
- (3) Not Applicable.

Governor's Establishment

- (1) None.
- (2) Not Applicable.
- (3) Not Applicable.

Office of the Public Sector Standards Commissioner

The Commissioner for Public Sector Standards advises as follows:

- (1) None.
- (2) Not Applicable.
- (3) Not Applicable.

GOVERNMENT EMPLOYEES HOUSING AUTHORITY, BUSSELTON

127. Mr B.K. Masters to the Minister for State Development; Tourism; Small Business

- (1) How many public servants or other employees from agencies that fall within your portfolio responsibilities are employed in positions that are located within the Busselton townsite?
- (2) Of these people, how many are accommodated in dwellings owned by or otherwise under the control of the Government Employees Housing Authority (GEHA)?
- (3) For those public servants or other employees in Busselton GEHA accommodation, how many of them were provided with GEHA accommodation as a condition or prerequisite of their employment in Busselton or as part of their redeployment package to Busselton from elsewhere in Western Australia?

Mr C.M. BROWN replied:

I am advised:

Department of Mineral & Petroleum Resources

- (1) No public servants or other employees from the Department of Mineral and Petroleum Resources are employed in positions that are located within the Busselton townsite.
- (2) Not applicable
- (3) Not applicable

Small Business Development Corporation

- (1) The Small Business Development Corporation does not have any positions located within the Busselton townsite.
- (2)-(3) Not applicable.

Department of Industry and Technology

- (1) Nil
- (2) Nil
- (3) Nil

Rottneest Island Authority

- (1) Nil
- (2)-(3) Not applicable.

Western Australian Tourism Commission

- (1) Nil
- (2) Not applicable
- (3) Not applicable

GOVERNMENT EMPLOYEES HOUSING AUTHORITY, BUSSELTON

132. Mr B.K. Masters to the Minister representing the Minister for Housing and Works; Local Government and Regional Development; the Kimberley
- (1) How many public servants or other employees from agencies that fall within your portfolio responsibilities are employed in positions that are located within the Busselton townsite?
 - (2) Of these people, how many are accommodated in dwellings owned by or otherwise under the control of the Government Employees Housing Authority (GEHA)?
 - (3) For those public servants or other employees in Busselton GEHA accommodation, how many of them were provided with GEHA accommodation as a condition or prerequisite of their employment in Busselton or as part of their redeployment package to Busselton from elsewhere in Western Australia?

Ms A.J. MacTIERNAN replied:

Department of Local Government and Regional Development

- (1) Nil
- (2)-(3) N/A

Department of Housing and Works

- (1) 6
- (2) Nil
- (3) Nil

State Supply Commission

- (1) Nil
- (2)-(3) N/A

Kimberley Development Commission

- (1) Nil
- (2)-(3) N/A

Gascoyne Development Commission

- (1) Nil
- (2)-(3) N/A

Pilbara Development Commission

- (1) Nil
- (2)-(3) N/A
