WESTERN AUSTRALIA

PARLIAMENTARY DEBATES

(HANSARD)

THIRTY-FOURTH PARLIAMENT
FOURTH SESSION
1996

LEGISLATIVE ASSEMBLY

Wednesday, 25 September 1996

Legislative Assembly

Wednesday, 25 September 1996

THE SPEAKER (Mr Clarko) took the Chair at 11.00 am, and read prayers.

PETITION - ALINTAGAS, REBATES

DR GALLOP (Victoria Park - Deputy Leader of the Opposition) [11.03 am]: I present the following petition -

> To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled.
>
> We, the undersigned call on AlintaGas to establish a scheme of rebates or discounts for senior citizens, pensioners and other low income earners.
>
> AlintaGas is alone among the public utilities in not providing some form of assistance for low income earners and the elderly and we call on it to display social responsibility in conducting its business affairs.
>
> Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 15 signatures and I certify that it conforms to the standing orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 150.]

PETITION - CAMBRIDGE TOWN COUNCIL, "DEED OF AGREEMENT" VARIATION

DR CONSTABLE (Floreat) [11.04 am]: I present the following petition -

> To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled.
>
> We, the undersigned, respectfully request that the "Deed of Agreement" made between the Government and its appointed Commissioners, two days before the election of the Council of the Town of Cambridge, be varied as requested by the said elected Council in May, 1995. The return of the freehold lands at Alderbury and Perry Lakes Reserves and the freehold urban lands at Mt Claremont will enable them to be used as determined by the community and its representatives for the future benefit of all residents and other citizens. The variation of the said Deed as requested will permit the formation of Bold Regional Park to proceed as recommended by the Environmental Protection Authority on 30 June, 1994.
>
> Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 1 051 signatures and I certify that it conforms to the standing orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 151.]

MINISTERIAL STATEMENT - MINISTER FOR LABOUR RELATIONS

Occupational Health and Safety Regulations, 1 October 1996

MR KIERATH (Riverton - Minister for Labour Relations) [11.05 am]: New occupational safety and health regulations will come into effect on 1 October this year. They are the result of four years' consultation by the WorkSafe Western Australia Commission. In December last year, the commission finished draft regulations with 10 draft codes of practice, and public comment on them closed in March this year. The Government has accepted most of the recommendations.

The new regulations are designed to be flexible and practical but ensure employees are protected against risks to their safety and health. They emphasise the employer's duty of care to identify hazards, assess risks and implement safe work procedures. They also replace much of the outdated prescriptive provisions with results-based regulations requiring hazards to be identified and addressed by the most practical means. A good example of this is in the area of manual handling, where an employer must identify manual handling hazards in the workplace, assess the risk of injury and consider the means of reducing the risk. This is far more effective than the old approach of arbitrary weight limits.

The new regulations ensure employers address hazards, but give them the flexibility to solve the problem in the most practical way. The prescriptive element in the regulations has not been entirely removed. Where well-known hazards need to be addressed in a particular way, the regulations specify controls to Australian and national standards level. An important feature of the new regulations is the use of national standards for the safe use of hazardous substances in the workplace.

New regulations for demolition work address the problem of unqualified people conducting demolition work. Supervisors will be required to have a building trade qualification or builder's registration and at least three years of appropriate experience. An important aspect of the review has been the development of 10 codes of practice. The codes, to be introduced in October and November, support and enhance the regulations and provide practical general advice on prevention strategies with regard to particular hazards.

The new occupational safety and health regulations are a good example of the effectiveness of a cooperative approach to the development of occupational safety and health policy and laws. Work by the commission over the past four years has produced a regulatory framework that will make a major contribution to further improving the work environment in Western Australia. These regulations will support the Government's WorkSafe WA 2000 Vision to halve work related injuries, disease and fatality rates between 1995 and the year 2000.

JOINT STANDING COMMITTEE ON THE COMMISSION ON GOVERNMENT

Leave to Meet when House is Sitting, Wednesday, 25 September

On motion by Mr C.J. Barnett (Leader of the House), resolved -

> That this House grants leave for the Joint Standing Committee on the Commission on Government to meet when the House is sitting on Wednesday, 25 September.

PUBLIC ACCOUNTS AND EXPENDITURE REVIEW COMMITTEE

Leave to Meet when House is Sitting, Thursday, 26 September

On motion by Mr C.J. Barnett (Leader of the House), resolved -

> That this House grants leave for the Public Accounts and Expenditure Review Committee to meet when the House is sitting on Thursday, 26 September.

BILLS (3) - INTRODUCTION AND FIRST READING

1 Skeleton Weed and Resistant Grain Insects (Eradication Funds) Amendment Bill.

Bill introduced, on motion by Mr Cowan (Deputy Premier), and read a first time.

2 Reserve (No. 18039) Bill.

Bill introduced, on motion by Mr Kierath (Minister for Lands), and read a first time.

3 Firearms Amendment Bill.

Bill introduced, on motion by Mr Prince (Minister for Health), and read a first time.

ACTS AMENDMENT (ASSEMBLIES AND NOISE) BILL

Second Reading

Resumed from 27 June.

MR CATANIA (Balcatta) [11.12 am]: The second reading speech states that in recent years the emergence of so-called "rave parties" has highlighted the need for more effective legislation to control after-hours noise and the use of unsafe premises for public assemblies. When the Bill was introduced some concern existed about the regular occurrence of rave parties. Over the past year, that concern has diminished somewhat. However, this Bill is necessary because it will set up a process to deal with noisy rave parties or assemblies that annoy people living in the vicinity of the venue.

It has taken a year for the Bill to reach this place and although the urgency for it no longer exists, it will be a very useful piece of legislation when large gatherings create a lot of noise and affect nearby residents. Perhaps the Bill should also address disputes between neighbours about noise. Major disputes between neighbours relate to dividing fences, overhanging branches and noise. Disagreements about those matters can cause conflict between neighbours. Therefore, I suggest that this Bill should address not only rave parties and assemblies but also disputes between neighbours when noise is involved. The Government could have taken the opportunity with this Bill to establish a

quick mechanism to deal with those other problems. In the suburbs some people turn up the volume on their radios or other sources of music, much to the irritation of their neighbours. That situation can cause much antagonism between neighbours. Perhaps a tribunal should be set up to deal with those issues expeditiously, because there is nothing worse than the aggravation that can be caused when neighbours have complaints against each other. Such a tribunal could be called "the noise and nuisance tribunal", and people with complaints could make a trip to the tribunal to have a noise problem dealt with quickly.

The second reading speech states that this Bill deals with the results of a report compiled by a working party set up in 1993 to examine the role of local authorities in the control of assemblies and the noise that emanated from them; the legislation available to local authorities; after-hours control of noise, mainly during the night and in the early morning; and the effect of rave parties on the suburbs in which they are held. The working party examined the staging of rave parties and considered not only the noise factor but also the safety aspects and the process by which the organisers of the rave parties sought approval from local authorities. It also considered the provision of first aid at assemblies or rave parties.

Eighteen months ago, when rave parties were the fashion, a great amount of interest was shown by the community. Therefore, at the suggestion of my friends, I took the opportunity to visit one of those parties at its noisiest time. I did that about 18 months ago. I had to do it in disguise, obviously.

Mr Prince: Did you breakdance?

Mr CATANIA: I did not do much. I was fixated with what was going on.

Mr Bradshaw: Did you get your fix?

Mr CATANIA: No. Whenever members of Parliament see a problem, they should look at it as closely as possible. I went with some of my friends who are a lot younger than I, and I had to disguise myself as a much younger person.

Mr Prince: You mean you took off your tie?

Mr CATANIA: Yes, and I put on a pair of jeans.

Mr Prince: Earrings?

Mr CATANIA: No, I do not endorse earrings. I took a lot of trouble to try to disguise my moustache.

Dr Edwards: Did you wear sunglasses?

Mr CATANIA: I did not wear sunglasses because it was at night. I had to ensure that I looked younger - and that was a difficult job. I stayed there for about two hours to see what the 3 000 or so young people do at rave parties.

Mr Prince: Was it in the open or in a building?

Mr CATANIA: It was partly in the open and partly under cover. It was in an industrial area. I was trying to see whether any drugs, such as amphetamines, were being sold. There had been evidence that youth at those parties were partaking of drugs, especially amphetamines. I did not see any selling on the premises of that rave party; however, by the number of masks used and the amount of water consumed it was evident that drugs had been consumed. The organisers of that rave party must have made a fortune selling small bottles of Aqua Vital. Normally in the shops they sell for about 50¢ a bottle, but at the party they were sold for $2 a bottle. This rave party highlighted the enormous amount of money that can be made by one of these parties and the extortion by the organisers who charged exorbitant prices for the drinks they sold.

The greatest concern to me was that it was obvious, even to a layman such as I, that many young people at that party were under the influence of drugs. That was clear from the way they acted and moved and the masks they wore. There was a difference in the behaviour between those who obviously consumed alcohol before the party and those who consumed drugs. From questions I asked at the party, I believe the drugs were sold to those people prior to their going to that party. Most had purchased amphetamines in the form of tablets, which ranged from $60 to $120 a tablet. Apart from the entrance fee of $20, the rave party would have cost a young person who wanted to consume some drugs a minimum of $120, taking into account the purchase of a quantity of water and other drinks throughout the night. Apart from their being exposed to the consumption of drugs, the added pressure of having to spend at least $120 must be considered with a great deal of concern.

Mr Prince: Would you say that the non-selling of drugs had anything to do with the control over the event by the promoter?

Mr CATANIA: The premises were fenced and it would have been obvious if there were a selling point. The promoters at that time had not received the adverse publicity that they attracted after that event. After the event that

I attended, which received a great deal of publicity, one of the organisers was apprehended for possessing a quantity of drugs. I do not believe it had anything to do with the organisation, but was just the process the organisers went through. The address of the place was given to people at nightclubs around Perth. Through communications between the youth they knew where to purchase amphetamines if they wanted them. It was part of that network.

I am sure that, like me, many members in this House are not against rave parties. Older members of this place will recall that in the days of rock and roll in Western Australia the snake pit was a similar sort of thing. There used to be rock and roll raves.

Mr Pendal: We're not that old. I can barely remember ABBA!

Mr CATANIA: Perhaps some are not, but I can see some in this place who would certainly remember that era. I am sure members in this House are not against youth expending their energy by listening to loud music and dancing in the fashion they want to. I am not opposed to that. However, I am opposed to the extortion of the youth by the people who organise these functions and sell overpriced drinks and other products. Anything that was sold at that rave party was about 10 times the price that would normally be charged. It was robbing those young people because they had nowhere else to go for drinks. The rave party was held in an industrial complex; there was no shop from which they could buy drinks.

Mr Prince: They could have brought drinks with them.

Mr CATANIA: I doubt whether they would do that.

Mr Prince: But they could have.

Mr CATANIA: They could have. They were sold a lot of Aqua Vital. There was a truck load there. That was extortion.

Probably of most concern was the prevalence of amphetamines at that rave party and the behaviour of the kids once they had partaken of drugs. My colleague the member for Marangaroo and I visited the site in Malaga the morning after the party at about 7.30 or 8.00 am. The event started about 10.00 pm the previous night and at 8.00 am quite a few children were still lying around enjoying it.

Mr Prince: They have greater stamina than you or I.

Mr CATANIA: Yes, I admire their stamina. That energy did not concern me. I was concerned that they had been exploited; some had consumed drugs and some were very young. I have four children, one of whom is 12 years of age. It seemed to me that a number of the youths there were no older than 12 or 13 years of age. It is of great concern that children of that age were allowed to be out until 3.00 am or 5.00 am.

Mr Prince: One wonders what their parents thought.

Mr CATANIA: Yes, indeed. I reiterate, and I am sure members agree, that most members here have nothing against rave parties and the music played at such events, or even the loudness of it, if the event is held in an appropriate area where it does not affect surrounding residents. Who would worry? The youths enjoy expending the energy. I say, good luck to them!

This Bill insists that certain procedures be followed for organisers to gain permission to conduct these "assemblies", let us call them, because they can be concerts, rave parties or whatever. Organisers must go through a procedure under which the premises may be vetted. The event must be in an area where it does not affect residents. The premises must be quite safe, so that young people do not get hurt. In many premises, if large crowds were present, a dangerous situation could develop in which young people might get hurt. Also, if some disturbance occurs at those assemblies, rave parties or concerts, the police or local authorities will be able enter and take action. Without the provisions of this Bill, the police would have no right to enter a premises if the only complaint was that the noise was too loud. This Bill gives the police the authority to enter, if they are called upon because problems occur. We must support this Bill because a more effective mechanism is needed to manage these events.

The last thing I want to do is put a damper on holding these events. This Bill provides for a simple process to enable a person to apply to a local authority for a permit. The local authority can then assess the venue to ensure it is safe for people. If it is, the authority can issue an permit expressly for the purpose of holding such a big event. The organisers can then employ bands and install the necessary equipment to ensure that the youths enjoy what they are seeking and the type of music they want. We must emphasise that this Bill is not there to dampen the enthusiasm of youth or prohibit the holding of rave parties or concerts from which loud music emanates. Surrounding residents may be disturbed because loud music may go on all night, so we must control the level of noise.

We do not want to inhibit the enjoyment of such parties by youth. However, we are saying we must have a little control over where they are held and ensure that the premises is safe, and that first aid equipment and the right personnel are available. By insisting that organisers apply for a permit, they may be vetted to ensure that they are people of repute and not drug dealers and pushers who hold events in order to sell drugs to youths who attend. That is very important, and so is the control of alcohol. Certainly at the event I attended no alcohol was sold. However, we must ensure that if alcohol is to be sold at an event the necessary permits are obtained from the authorities and, once again, that people who obtain those permits are vetted and are of good repute. This Bill is a mechanism for protection rather than solely one of control. Passing this Bill will provide the mechanism to protect the youths who attend these events. The Opposition agrees with and supports this Bill.

The Opposition feels that the Bill could have gone further and dealt generally with the problem of noise between neighbours. It could have created a noise and problem tribunal that could deal quickly with such problems. The Bill is important because it deals with the health and safety of the patrons of these events and also deals with the lifestyle of people who may live near venues that may be used for illicit rave parties. There could be nothing worse for an older person trying to sleep than hearing loud music all night. Also very loud music may give senior citizens a sense of danger and they might worry unduly about their safety. We must protect the peaceful lifestyles of our citizens who live in areas where these shows might be put on by people who have no consideration for them.

The Bill also enables the authorities, be they local authority officers or rangers or the police, to control the organisers of illegal parties and seize equipment if the proper permits have not been obtained and there are complaints of noise. It is important that the Bill contain a provision that will give local authorities and police the ability to seize goods that are being used inappropriately. As I mentioned previously, another important provision in the Bill is the authority for police to enter premises. In the past, police have not been able to act in response to complaints about noise because it was the responsibility of local government to take action. Complainants had to contact their local ranger who would have to measure the noise to see whether it was of a certain intensity and take action after an event. This Bill will give the rangers or police the authority to take action during an event. It is an accountability mechanism which flags to organisers that they must ensure they have all the appropriate permits and have regard for the residents living in the vicinity of premises used for shows.

In conclusion, the Opposition agrees with this Bill, although the rave party fad has somewhat died since it was introduced. It is therefore a bit late. However, another rave party fad may become popular in our community, which will provide a vehicle for youth to exert their energies and let off a bit of steam. Under this Bill the authorities will be able to ensure that youth participation in those shows is protected. This is a Bill of protection more than a Bill of control. The Opposition hoped that this Bill would pass through both Houses more promptly than it has. Nonetheless, if another rave party fad hits Perth it will be in place as a safety mechanism for the youth who want to attend these shows.

MR PENDAL (South Perth) [11.42 am]: I congratulate the Government for having introduced the legislation now before the House. I hope that the electorate of South Perth and the suburbs of Como and Kensington will be directly and positively affected by the expanded provisions of this Bill. Interestingly, taking the second reading speech of the Minister literally, the Bill may also have some consequences for functions such as Rally Australia. Indeed, if that has not been thought of, I hope it will be. For example, Rally Australia conducted the culmination of its event on the Perth Esplanade only nine or 10 days ago.

At about 10 o'clock on the same Saturday night of Rally Australia I arrived at my residence in York Street, South Perth which is approximately 2.4 kilometres, as the crow flies, from the Perth Esplanade. The noise from the vehicles was not the problem. Some sort of entertainment was taking place that night on the Esplanade. I could hear a man who was speaking in conversational levels over the public address system. It was possible for me to stand on what passes for the front lawn of my home and clearly hear what he was saying 2.4 km away. Not being a scientist, I do not know, but I suppose that it was made that much more audible because it was travelling across water, up the ridge of South Perth and over the many thousands of homes.

Mr Prince: Was it a still night?

Mr PENDAL: It was a still night; therefore it came as a surprise to me that from the front lawn of my home I could hear a commentator talking at conversational levels.

Mr C.J. Barnett: Don't you have your campaign launches in that vicinity?

Mr PENDAL: The Leader of the House is correct. He also knows that we run the most respectable campaign launches and we can get the biggest crowds, who are very well mannered. The next time will be no exception.

If I read it correctly, clause 10 of the amending Bill will give the power for enforcement officers to seize equipment that omits unreasonable noise. I say, "Hooray to that", because many excuses have been given to us in the past by

law enforcement agencies that the best they could do was tell people to turn down the noise. Once the noise is turned down and the officers have disappeared, the noise is turned up. This Bill may be a warning to Rally Australia to do something about that issue. I think the Rally Australia event is a good one for Western Australia and for Perth. However, there is no reason why Rally Australia and similar events should be allowed to disregard the social amenity of tens of thousands of people, many of whom I represent.

Secondly - I raised this matter privately with the Minister - noise begins to become a real problem if, for example, the Government is prepared to grant a licence to a seaplane operator to land on the waters near Como jetty. I have made a number of representations to the Minister for the Environment to the point where I have asked that he refuse to grant that licence. I am raising the issue here because the Government is on the verge of making that decision.

Mr Bloffwitch: A very bold decision.

Mr Prince: A courageous decision.

Mr PENDAL: I hope that it is more than a courageous decision because it must protect the social amenity of the Swan River and the thousands of people who live near to where that plane would land. We have been talking mainly about rave parties, but I notice that the Bill, if I have read it correctly, seeks to extend the law to cover open spaces. Will that apply to rivers and will those areas be affected by amended section 173 of the Bill? As I understand it, today we are effectively extending the definition of "public building" to places other than buildings, structures, tents, galleries and platforms. That is why it is reasonable to ask the Minister and the Government whether those definitions will take into account the amenity of areas such as the Swan River.

I repeat, the complaints made to me about noise pollution invariably relate to noise from major public events. Those public events include Rally Australia and the Skyshow. No-one is against those events.

Mr Bloffwitch: Certainly not the Skyshow.

Mr PENDAL: The Skyshow is fantastic for the 500 000 people who come from other neighbourhoods and who leave behind a trail of misbehaviour that directly affects my constituents.

I congratulate the Government for what it is doing, but I want the Minister to address the issue of noise coming from events such as Rally Australia, the tourist seaplanes at Como and other major public functions such as the Skyshow. I emphasise that the Government has the direct power to ensure that that does not happen. If we enable law enforcement agencies to police those events more effectively by providing the power to confiscate microphones or amplification equipment, and in the final analysis protect people's social amenity, the Bill deserves the support of the House and I give it mine.

MS WARNOCK (Perth) [11.51 am]: Mr Speaker, for reasons that concern both you and me, I will be brief. This matter has concerned me for some time. About 18 months ago I experienced a coincidence of events when a number of people wrote to me about noise problems in inner city Perth. Members will recall a stir about a nightclub in the inner city emitting loud noise. A group of residents in a Homeswest block of flats nearby were very upset. That was a new situation because previously there would have been no block of flats so near the nightclub. A new scenario has arisen as a result of the push by the previous Labor Government, the present Government and the Perth City Council to increase the number of inner city residents. The nightclub had been operating at that site for 30 years and, frankly, had emitted loud noise with impunity late at night without having very much to worry about, largely because there were no residents nearby. Suddenly, residents appeared on the scene and they discovered that the flats were not as well insulated as they might have been and, lo and behold, I received many calls about noise within the city.

A number of people also rang me about noise from building sites in the inner city. I am not referring to the newer part, which is part of the East Perth redevelopment area, but to the older part where people have been living for many years. The boom in inner city development is also affecting this part of town. Whereas previously no building work was undertaken early in the morning and late at night, suddenly about 18 months ago an enormous amount of extended building activity commenced. Residents found that they were being subjected to very loud noise far too early in the morning and far too late at night. A woman living in Wellington Street, East Perth wrote me a very vivid letter dated 13 December 1994. This woman had an appalling time as a result of too much noise from a tractor working under lights at 2 am. The work being undertaken on this new block of flats is now completed, fortunately for the woman, and the situation is much better controlled than it was then. The woman states -

> When I at first was woken by the racket, I told myself that it surely would soon cease. But it didn't and so at 2.50 AM I phoned the after hours number to register a complaint and to have an inspector come out.

She talks about the difficulties of getting someone to do something about the situation at that time. I began writing a series of letters to people such as the Minister for the Environment and the Perth City Council to try to deal with the clash of lifestyles that was arising in the city because of the changed circumstances and because the noise

regulations had not been very successful for a long time. I had lengthy correspondence with the present Minister for the Environment and various people in the Environmental Protection Authority, because they were as interested as I was at the time to try to do something about the noise regulations in Perth.

I was extremely interested to find that this Bill was being introduced. Although I am very well aware that it amends only in some ways the Health Act 1911 and the Environmental Protection Act 1986, and in particular in relation to rave parties - which, as one of my colleagues said, are now less popular than they were when work began on amending these Bills - nonetheless a general point can be made about the need for changes to noise regulations. I am very pleased to see the changes proposed in this Bill, and particularly the clauses dealing with the Environmental Protection Act that refer to unreasonable noise and an authorised person being able to seize noisy equipment. Some very good amendments have been made to this part of the legislation, which interests me particularly.

Under the previous legislation, a police officer was not an authorised person and therefore could not do the sort of things that needed to be done. We had the awkward situation where an environmental protection officer of some kind, called out in the middle of the night because of noisy building work or a party, was not able to do very much except measure the level of the noise. The police officer, not being an authorised person, was not able to do much about it either. With this proposed amendment we will be able to call on a police officer to do something. I am very pleased to see this change. It will certainly make it easier to control noise in the circumstances to which I have referred - involving inner city residents who are having difficulty because of a noisy nightclub nearby, the overzealous building company on a new building site near a residential area making too much noise early in the morning or late at night, or a large teenage party in an old building such as the Saunders warehouse in East Perth.

I am also very pleased to note that these circumstances are less likely to arise in future because the new regulations have been introduced. However, we should go much further than this. I hope that the information I have received from various people unofficially that the Environmental Protection Authority its working very hard on noise regulations and regulations to control these circumstances is true and that the new regulations will be introduced in the near future. Regulations to control noise in the inner city, or indeed anywhere else, are long overdue. Although it is a complicated issue and difficult for local government to manage, we must ensure that we have ways of dealing with the noise to which my colleagues and I have referred. While this amendment Bill goes some way towards achieving that, and I support the Bill, we must go much further and hurry those regulations through so that we are able to control noise better, both in the city and in suburban areas.

DR EDWARDS (Maylands) [11.59 am]: Unlike the member for Balcatta, I have not been to a rave party nor dressed up and gone anywhere in disguise. I will have a private conversation with the member to see what I can learn.

Mr Catania: You will. You can join me on my next foray.

Dr EDWARDS: The Opposition welcomes this Bill and is pleased with its provisions. However, I have some concerns about the fact that noise regulations in general are not being improved.

My concerns echo some of the remarks made by the member for Perth. Since the late 1980s improvements to the noise regulations have been recommended. The police, as well as representatives from other authorities, have said the noise regulations must be improved so they can be properly implemented to better serve the community. In 1992 the then Labor Government instituted a review of the noise regulations, but nothing eventuated until the introduction of this Bill, which is really limited to rave parties.

Like the member for Perth I have been contacted by a number of people who are concerned about noise levels. In March this year I took up this issue with the Department of Environmental Protection and I was told that the regulations were under review. I was worried about the information from the Minister's office that as soon as the regulations were returned to it by the Crown Law Department they would be sent to some peak industry groups for private comment. I am not clear about what has transpired since then. In further correspondence to the member for Perth, the Minister for the Environment said that when the comments from the peak industry groups had been returned the regulations would be put out for wider public comment. I urge the Government to put the regulations together as quickly as possible because a lot of people are suffering the ill-effects of noise. The public is extremely concerned about noise and the regulations should be available for full public comment. I am sure members receive complaints from their constituents about noise levels, and their input into these regulations could possibly lead to the regulations being amended to a greater extent than is proposed.

Currently, noise is regulated under the Environmental Protection Act and the Noise Abatement (Neighbourhood Annoyance) Regulations. However, there are problems with the integration of the Act and regulations. Over time a number of legal cases have gone astray because of the deficiencies in the Act and the regulations. In addition, there are some procedural inefficiencies. I am aware, in the case of rave parties, that the Minister is addressing some of those inefficiencies, but for the broader community they remain unaddressed. Added to that are some technical

problems that have been identified by local government. It has told me that the equipment required to be used in the calibration of the noise equipment is cumbersome. I understand it is easier to argue legally in the case of repetitive noise because the noise measuring equipment has been in constant use. In other words, it is easier to have the case thrown out of court if noise measurements have been taken on a continual basis.

I will give a practical example of a noise problem in my electorate. The houses in Stuart Street, Maylands have been there for many years, but the street is only one block wide. The street immediately behind Stuart Street is Sussex Street and that area is zoned industrial. In past years the zoning was not a problem because Sussex Street was literally the end of the road and behind it was bush. It was acceptable to have industry in that area because the houses were some distance away from it. Historically, most of the people who lived in the nearby houses worked in the local industry and there was a harmonious relationship. Sussex Street backs onto the border between the City of Bayswater and the City of Stirling. The City of Bayswater has allowed development to extend into Sussex Street and there is now a cement making industry and a sawmill on half the block and immediately behind them are duplexes. The result has been increased noise problems in the district because housing has encroached on what was previously an industrial area which had a natural buffer zone around it. Although the blocks in Stuart Street are narrow quarter-acre blocks they are being subdivided. Previously, the backyards of the properties in Stuart Street backed onto the industrial blocks in Sussex Street. Now the front yards - previously the backyards of properties in Stuart Street - face onto Sussex Street. The result is that the residents are being brought closer to the noise from the industrial area.

In the past the noise levels from the industrial area were fairly low, but in recent years the area has become busier and the noise greater. For example, a number of years ago the sawmill employed disabled people and the mill operated slowly and quietly. Recently it was taken over by an operator who is keen to make a large profit and it has become extremely busy and noisy. Added to that is the traffic noise from the semi-trailers which deliver wood to the sawmill. The difficulty arises when the noise levels are measured, because generally they fall within the current limit. At times when the noise levels have exceeded the current limit the offending company has been served with a notice and action has been taken to resolve the problem. It appears this action has resulted in the noise being converted into vibrations. When the sawmill is working at full steam, the houses opposite it experience a huge vibration problem. The difficulty now is to work out how to measure the level of vibration and how to compare it with both the noise and the nuisance value. I visited one home which is occupied by musicians who are sensitive to the noise problem. These people work from home and when the sawmill is very noisy and they are trying to compose or practise their music they find the vibration and the noise extremely irritating. Both these nuisances are probably within the current limits and there is nothing anyone can do. Both the homes and the industries have a perfect right to be where they are.

Noise regulations must be much more sensitive because of the increase in the density of housing. As the member for Perth pointed out, with the trend towards inner city living we now have housing next to nightclubs. We are bringing people closer together and they are likely to be affected by each other's noise. There must be a better way to tackle the problem.

Mr C.J. Barnett: Some people like the life in the city. They realise there is a different ambiance.

Dr EDWARDS: Generally, people are understanding, but when the noise becomes excessive it creates a problem. Some of the definitions are subjective and that adds to the problem.

I am pleased that the Minister is correcting what was apparently an oversight and that the police, under this legislation, will be authorised to enter rave parties. It would be a problem if environmental health officers from local authorities were authorised to enter rave parties, because they are not trained to deal with big crowds. Although the member for Balcatta said that he had not witnessed any alcohol being consumed at these parties, the information I have is that sometimes alcohol is available. Problems will arise if environmental health officers, particularly women, are authorised to enter rave parties. The police have the training and under this legislation they will have the power to enter these parties and I am pleased that the situation has been clarified.

In improving the noise regulations, three areas should be considered. The first is the domestic example, which I have given, where people are working at home and the noise during the day is upsetting them. They are faced with the problem that even though the noise levels fall within the current limit it creates a nuisance. The second is the problem of entertainment and the member for Perth alluded to this issue. I guess rave parties can be included in that category. I am pleased this Bill provides solutions on that front. The third is the problem of construction noise. The problem with this sort of noise is that often there are discrete impulses. For example, even though power tools are generally used for short periods the noise level is over the limit and is of concern to people who live nearby. Construction noise, as well as being continuous, is also repetitive. For instance, in Maylands not long ago, one of the clay pits was being filled and compacted. There was a low, continual level of noise and vibration and, depending on the type of compaction being done, there was an added compacting noise. Under the regulations, noise must be measured for 20 minutes. If power tools are being used intermittently, they will not be running for 20 minutes and there will be

problems proving the noise level. Each time inspectors return to measure the noise, the equipment must be adjusted. That leaves more avenues open for challenge by the person who might be prosecuted about the noise problem.

Mr Prince: You might argue that on a construction site, which is a finite exercise, 20 minutes is a reasonable period simply because it is a construction site. If it were a factory, it would be a different exercise.

Dr EDWARDS: Many permutations and combinations must be considered. In Sydney, the authorities have put in absolute time constraints. Construction noise cannot be made in Sydney between 11.00 pm and 7.00 am. Someone needing to work outside those hours - in the middle of the night for instance - would have to get permission. However, provision has been made to cover noise in emergencies. I think these are the sorts of issues at which we should be looking. Also, in an effort to cut down construction noise the authorities in Sydney have adopted a system of on the spot fines so that they can do something about the problem immediately. One of the problems here is that a prosecution must wait for six weeks to get first mention in the Court of Petty Sessions; therefore there are real concerns that within that time -

Mr Prince: A construction site will finish.

Dr EDWARDS: Yes, or building companies will change hands or whoever was doing the construction may not be able to be found. In Sydney there are bans and on the spot fines and when there is really a problem the authorities can apply an eight day work ban. I am not suggesting we go down that road. However, the threat of an eight day work ban must be a significant deterrent to people who might be making noise.

While the Opposition welcomes these amendments, it is concerned that it is not dealing with the wider noise regulations we need. The process has been going on since 1992 - an inordinately long period. The regulations cannot be that complicated that we will not see them this year. I am disappointed that the Minister for the Environment said in May this year that he anticipated the new regulations "would be in force later this year". He was talking about wider regulations than the ones we are talking about today. I am concerned, given the way that noise can affect people's quality of life, that these wider regulations have not been introduced into the Parliament.

MR BROWN (Morley) [12.13 pm]: This Bill seeks to balance different community interests. It seeks to balance the interests of residents who want their days to remain quiet and undisturbed with the wishes of young people primarily who wish to enjoy functions, arrangements and other forms of enjoyment that involve significant noise. I use the word "noise" advisedly because some people consider it music and others consider it noise, and the definition of which one it is depends upon one's interpretation. That is true irrespective of the age of the person, because the interpretation is very much dependent upon one's personal choice. Some people consider a 68 piece orchestra makes a lot of noise rather than wonderful music, whereas others consider a small group of three guitars and drums making noise at around 120 decibels to be wonderful music, even though they cannot hear the words. It depends upon one's perception of noise or music. Whatever that definition, the fact is one can enjoy the music of his or her taste at a level that does not inconvenience or disturb others. Whether one likes modern day dance music or traditional dance music, it is accepted that dance music will be played so that it can be easily heard over background noise. Today's music tends to be played at a higher level than traditional dance music. This Bill is about balancing those two factions. It does not seek to outlaw events that young people find attractive or to place a value judgment on those events. It accepts that certain events will attract exuberant young people at times and rave parties as they are known are an attraction. That is nothing new, because young people of different eras have enjoyed different forms of entertainment, in many instances leaving their parents somewhat amazed.

Mr Prince: Bemused!

Mr BROWN: Bemused might be another word. However, they are sometimes left in wonderment about how their children can be enjoying the noise. That happened in my younger days - now some years ago - when we went to the stomps at the Ocean Beach Hotel in Cottesloe and further up the coast at Sorrento.

Mr C.J. Barnett: We still get undesirable types there.

Mr BROWN: To my knowledge taking substances like marijuana or other illegal drugs was not the order of the day in those days. I did not come across it. However, the level of alcohol consumption was significant.

Mr Prince: Which in your day would also have been illegal.

Mr BROWN: That is why I did not partake of it, of course.

Mr Wiese: How can you keep a straight face and say that?

Mr BROWN: I did not like it. I am sorry I acquired the taste. I will not say I did not try it. However, I did not enjoy it particularly in those days. It is said that the wheel will come full circle, and I am currently getting back to that

stage. It might be the other way around; it certainly does not like me any more. This is a process of balancing the desires and wishes of young people in our community with those people in the community who do not wish to be disturbed by loud music.

I notice the Bill has been developed by a working party that includes representatives from the Police Department, the Department of Environmental Protection, and municipal associations. I also note that several environmental health officers from metropolitan local councils have been involved in the development of the Bill. I wonder if the Minister can identify an important group which was omitted from that working party? I know the Minister is new to this area.

Mr Prince: Family and Children's Services?

Mr BROWN: The very important group that is missing is young people. From that list, I can see that no invitations were extended to youth groups or organisations that cater for young people. To have successful policies in the youth area, we must be prepared to listen to and work with and encourage our young people. Despite what people may say, the young people with whom I have spoken from a variety of walks of life and areas in the State come up with intelligent ideas and hold views and opinions that are entitled to be heard. Those of us who have been around for a long time may not fully understand those views. However, we must understand them to bring forward legislation that young people find workable and attractive. I do not mean for one moment that this Parliament, in dealing with legislation that will affect young people, should solely be influenced by the views of young people. Parliament should not solely be influenced by the views of any single group.

This Parliament has a responsibility to legislate for all Western Australians. Generally speaking when we legislate for a particular group in society, whether that group be real estate agents, car saleyards or the legal profession, we tend to be influenced by its views. That does not mean that we always do exactly what that group wants us to do. However, we should be conscious in the framing of the legislation and in putting into place appropriate arrangements, of the views, aspirations, and interests of those people who are most affected. In this respect, the people who are affected in wanting to have a venue available so they can enjoy this pursuit are primarily young people. Now and again people of much older years will seek to pass themselves off as young people; however, generally speaking, those venues are for younger people and we should accept that and welcome the views and aspirations of young people.

The Minister for Family and Children's Services issued a media release, from memory, in around April-May to indicate the Government's intention to form a youth advisory council. Subsequent to that media release the Premier decided he would take control of youth matters and established in his office the youth bureau. He allocated $500 000 or $750 000 to that unit in the budget statements.

Mr Prince: The member for Jandakot has had a lot to do with it.

Mr BROWN: I have not seen any announcement of the members on that council. I do not know whether any members have been nominated to it yet; however, it has been outstanding for about four or five months. Perhaps the member for Jandakot knows whether anyone has been appointed to it.

Mr Board: The Premier will announce that committee shortly.

Mr BROWN: That announcement is being saved up. The initial announcement is about four or five months old, and we have before us legislation which is not unimportant to young people. I appreciate that Governments like to save up these announcements to make them at the appropriate time and maximise the political milage.

Mr C.J. Barnett: It is a good idea.

Mr BROWN: Saving them up? I thought that in a genuine form of consultation this issue would be referred to that area. It may be that any council involving young people may not have any significant comments to make on what is proposed, but then again, it might. Who knows if the legislation would not be improved or enhanced in some way by listening to what that group had to say?

The Bill provides for significant discretion on behalf of those who are given authority to act; that is, authorised officers and police officers. We can examine a variety of areas during Committee.

Mr Prince: This Bill was not going to Committee. I asked members opposite earlier and they said they did not need to go to Committee. It is up to you.

Mr BROWN: The Committee stage will not take long. I am concerned that a large amount of discretion is conferred on authorised officers or police officers. I understand that one cannot be overly proscriptive in this area. However, I am concerned, with the level of discretion which is provided in the Bill, that someone could injudiciously make a

decision to close a function or a venue or to seize equipment. That decision is not reviewable anywhere. From a layman's perspective, the Parliament will give absolute discretion where grounds exist to act. I am keen to take up the matter because, although I understand the need for action to be taken when the appropriate arrangements have not been put in place, or when they have been put in place but have not been complied with, I am concerned about how that discretion might be exercised and the protocols for exercising it. Given that this will involve police officers - which is fine - it must be recognised that a particular course of action may be acceptable to one officer but not necessarily to another. Everyone knows that within the Police Service are officers of different age groups and different tastes, and they may adopt different value systems when exercising the discretion they must exercise under this Bill.

The other matter with which I wish to deal in Committee in more detail is the seizure of equipment. Again, I can understand why that provision is included with respect to those instances where the people simply thumb their noses at authority and are not prepared to cooperate in any way. Accordingly, the only avenue open to the authorities is to seize the equipment. The proposal to return the equipment within seven days is not an unfair provision because, presumably, it would not be seized unless the person were given fair warning and, after that warning, continued to play the music so that the authorities had to seize the equipment.

However, I note that the Bill provides that if any equipment is lost or damaged after it has been seized, the person from whom the equipment has been seized will not have a claim unless it can be demonstrated that the person who seized the equipment deliberately failed to take appropriate care. It is a very significant onus on anyone whose equipment is seized and subsequently damaged or lost. They must demonstrate that the person who seized it did not take reasonable care. The equipment involved is potentially quite valuable. I understand that the decks used are expensive, although they are reasonably robust because they must be transported from venue to venue and are usually packaged in a way that facilitates their being moved in and out of vehicles. Nevertheless, the equipment must still be treated somewhat carefully when stored. It may be able to withstand bumps and knocks but it can be damaged from the front where the controls are located. Some equipment is totally packaged in boxes and can be transported easily without damage, but other equipment is not in that category. I seek some clarification about that provision.

I am also minded of the fact that I have been approached by at least one constituent who has been through the awful experience of losing furniture, goods or belongings, which were put into supposedly safe storage, because the warehouse in which they were stored went up in flames. Those without insurance lose everything in those circumstances. If that happened to equipment seized under the provisions of this Bill, would the owner of the equipment have any claim? If the equipment had been stored in supposedly safe storage, but it was subsequently lost, damaged or burnt, the owner would be hard pressed to prove that those who seized the equipment had deliberately not taken reasonable care. They might have a case if they could prove they were entitled to compensation for the seizure of the equipment.

Some may argue that in those circumstances it is part of the penalty for those people not complying at the appropriate time with the request of the police officer to desist playing the music and that if there is any risk, it has been created by them. Therefore, any loss should be borne by those people because they had the opportunity to avoid the seizure of the equipment in the first place. That is one side of the argument, and it depends on what will happen to this equipment in the event that it is seized. Will it be stored in council offices, police stations or wherever? Some of it is quite bulky, although the tape decks could be seized to make the equipment inoperable and the larger components, such as speakers, could be left for the operators to take with them.

One of the aspects that has been raised about rave parties - it is part of the reason for the description - is that they are not necessarily just a place at which loud music is played. They have been associated with a combination of loud music and drugs. Nothing in this Bill interacts with the use of illegal or other drugs. That is a matter for other legislation. Therefore, this Bill does not change the law in any way in relation to the taking of drugs. It simply seeks to regulate the places at which entertainment activity can take place.

By and large, this is a good Bill in not taking a head in the sand - the ostrich - approach of stating that such events should not be conducted. The Bill does not claim that the State should come down hard on these parties and prohibit them. It is tolerant and provides a balance between the wishes of different sections of the community. The Bill also recognises that young people have different aspirations and activities from those of others in society. Currently, rave party events are in vogue; therefore, a necessary tolerance and acceptance is written into the legislation. It would have been wise to involve young people in the development of the Bill. I do not know whether the Bill would have changed in any material way through such involvement, but it would have enabled people from the Health and Police Departments to hear the views of young people and to take them into account when framing the legislation. Such process gives young people a sense of empowerment and the opportunity for self-development. I look forward to the Minister's response. If the needs arises, I will take up matters further in Committee.

MR KOBELKE (Nollamara) [12.42 pm]: The Acts Amendment (Assemblies and Noise) Bill is a response by the Government to a range of concerns which have arisen relating to rave parties. These gatherings have proved to be incredibly popular with young people and equally unpopular for their adverse effects on sections within the wider community. I have received a number of general complaints about rave parties held in my electorate. People living two kilometres from a rave party heard music at such volume that they could not sleep through a night. It was fortunate that the venue of this party was in an industrial area with the nearest home a kilometre or more away. However, the prevailing wind or atmospheric conditions of the night caused people at Balga two or three kilometres away to receive an undue level of noise for most of the night. The situation was totally unacceptable as people should be able to sleep in their homes without such disturbance.

The approach of this legislation is commendable. One cannot simply outlaw rave parties as young people see them as a form of enjoyment in joining with a large number of similar minded people for a good time. If society does not accept such activity, the parties will be driven underground. I understand that in the past - I have only anecdotal evidence of this - people have run rave parties in secret locations, and it was only when noise emanated from the venue that people realised a rave party had been organised. We do not want to drive the gatherings underground.

We must install a system of approval and management to ensure that young people come to no harm at rave parties. They should enjoy themselves without impacting adversely on residents and others who wish to maintain their peace and quiet through the night. A range of associated matters must be raised with which we cannot deal in this debate. We should be more proactive in providing the entertainment young people want. In that way, they will not be induced to go to areas where pressure will be applied to be involved in drug taking. It is a complex issue with no simple answer. It is not appropriate to enter a wide-ranging debate on that matter here.

A matter pushed vigorously by a small number of people has not received support from Government, both Labor and Liberal; that is, to help fund music entertainment in alcohol-free venues. Rave parties are one style of gathering. Other styles of gatherings could be held to enable young people to meet their needs and listen to the music they enjoy without attending hotels. Those ideas have not been pursued with any great success by the Government. I hope we can improve that position in some areas.

Rave parties is one area of entertainment popular with young people. In addition to the problem of noise, some concern is held about the provision of drugs at such entertainment. Drugs are a widespread problem in the community. My understanding is that drugs are readily available, and that drugs are supplied in an area in my electorate; I contacted the police more than once to advise them of this problem, and I was told that they were aware of the matter and were taking steps to stop that practice and apprehend the people involved in the supply of drugs.

We cannot close down rave parties because we have evidence of drugs supply or the potential for them to be appropriate avenues for drug supply. The rave party's primary purpose is to provide a form of entertainment, and steps must be taken to ensure that drugs are not provided at such parties. It may not be possible in all instances to stop illegal activity totally. I am concerned that the conduct of rave parties can encourage young people to partake in drugs. Drug supply should be policed to prevent that activity. Another issue is the general approach taken by young people and how they feel about this form of entertainment. We will have a major problem if drugs become the in thing at rave parties with the expectation that one must take drugs to enjoy oneself. Clearly, an element of that already exists.

As adults, we socialise and partake of alcohol. We are aware of alcohol and tobacco and the costs and tragedies associated with using them. However, it is an accepted part of socialising that we partake of alcohol and, in a more restricted way, tobacco. It is not appropriate for us to say to young people, "Drugs are something we enjoy, but you should be totally different." One must be realistic. As adults, we must set an example. It is incumbent on every one of us to indicate that we do not use drugs and create the right impression for young people. In that way, they can enjoy themselves without believing drugs are necessary to enhance the enjoyment of the social activity associated with rave parties.

I will now talk about some of the issues surrounding the management of these functions which are addressed in this amending Bill. Not all rave parties attract adverse publicity; many are very well run and provide an opportunity for enjoyment by young people. They may also help to fund some worthwhile organisations. A critical issue relates to the person or body responsible for the organisation of rave parties. Although I am not saying that they should not be run on a commercial basis, when they are run for profit it is likely to be more difficult to ensure the appropriate standards are maintained and that the event is fully and properly policed.

When the YMCA of Perth or some other community organisation sets out to meet a community need and provides a form of entertainment young people want and in which they will participate, we hope those groups will ensure all of the proper planning takes place; the proper approvals are obtained; and there will be an adequate level of supervision and control to ensure the young people can enjoy themselves and the potential for harm or risk is either

totally eliminated or reduced to the lowest possible level. When a promoter is setting out simply to make a profit, those standards and issues of control may come second. It is crucial to try to provide the necessary legislation to ensure those controls are enforced. I support that very strongly. If a promoter sets out to maximise his profits from the running of a rave party, policing of the event may be difficult. The requirement for that promoter to conform to the letter of the law becomes an issue. In this Bill we are providing an improvement to the legislative structure so that a better job can be done to ensure these standards are maintained.

One aspect of the Bill relates to a change in the definition of the building. As has been indicated, these rave parties can attract very large crowds; therefore, it is appropriate that they be held in part, or wholly in some cases, out of doors. The change in this amendment enables the law to apply to such venues, although it may not be within the confines of a building. The control of, the size and the capacity of the venue are of primary importance. If it proves to be extremely popular, thousands of young people will go to the centre holding the rave party. Once that number of people are together, problems arise with crowd control and the dynamics and interaction between the people change quite drastically. Unfortunately, fairly regularly we see where groups of people simply have run amuck and we have ended up with something that approximates to a riot, with young people taking on the police, and having no respect for the law or for the property of others. Fortunately a very small number is involved; however, the number of such instances is becoming somewhat regular, and that is disturbing. We do not want a situation where a rave party that may have been set up with good intentions simply leads to a group of people, through a very small hooligan element, becoming an uncontrollable mob.

Another aspect of the amending Bill helps to address that issue. Clause 5(1)(a) states -

> If it appears to an authorized person that . . .
>
> (cc) there are reasonable grounds to believe that a public building is going to be used to accommodate a number of persons in excess of the number specified in the relevant certificate of approval . . .

A judgment can be made before the event that a venue is simply not appropriate, given the number of young people who might be expected to assemble to participate in a rave party. That is a very important element of the Bill. Once a rave party is up and going at which 2 000 people are in attendance and it is being held in an inappropriate venue because of its inability to cater for the numbers or other factors, it can be almost impossible in some cases to ensure control is maintained in a peaceful way. There is always a potential for the crowd to get out of control through just a small number of people stirring things up. The consequences of such an occurrence can be quite devastating for a large number of people and it can even threaten the lives of some of the people who are enjoying themselves at the rave party. It is very important that the possibility of a rave party can be pre-empted. As I understand the law - the Minister can put me right if I am misinterpreting the legal effect of this provision - a head of power will be in the legislation to take action prior to the party starting.

Mr Prince: That is correct.

Mr KOBELKE: For a whole range of reasons relating to crowd control, that is a very important element of the Bill. Although I have not had time to be involved totally, I have had some connection with the blue light disco in my local area. That is run by a very small band of dedicated people who have provided a wonderful service to young people throughout my electorate at Balga, Mirrabooka and Nollamara. They have gone well beyond that; they have gone out to help people run such discos in country towns and other parts of the metropolitan area. They have a great commitment and are dedicated to providing an acceptable form of entertainment for our young people. Because I participated in helping this group run those discos a few years ago, I am aware of the issues surrounding controlling the antisocial, and perhaps even violent, behaviour that can break out when a large group of young people are together. Rave parties cater for an older age group; therefore, those sorts of problems are of even greater significance.

The Government has brought down a set of guidelines entitled "The Operational Guidelines for Rave Parties, Concerts and Large Public Events". This is an excellent approach to try to ensure that these functions run in the best possible way. I reiterate my concern that where an organisation is setting out to provide a form of entertainment for young people and where profit is a secondary issue, these guidelines will be very workable. My concern is that they are simply guidelines. Where the event is being run by a private promoter whose main, if not only, motivation is to make a profit, the guidelines may be totally inadequate because mechanisms are not included to enforce them and to make them work. I hope the changes to this legislation will provide a mechanism by which we can ensure these guidelines are adhered to so that we can have rave parties that provide entertainment for young people without risk to them or to the wider community.

Debate adjourned, on motion by Mr Prince (Minister for Health).

[Continued on page 6163.]

STATUTORY CORPORATIONS (LIABILITY OF DIRECTORS) BILL

Council's Message

Message from the Council received and read notifying that it had agreed to the amendments made by the Assembly.

Sitting suspended from 12.59 to 2.00 pm

[Questions without notice taken.]

MATTER OF PUBLIC INTEREST - COMMONWEALTH-STATE HOUSING AGREEMENT

THE SPEAKER (Mr Clarko): Today I received within the prescribed time a letter from the Leader of the Opposition in the following terms -

> Pursuant to Standing Order 82A I propose that the following matter of public interest be submitted to the House for discussion today.
>
> > That this House condemns the proposed new Commonwealth-State Housing Agreement which will encourage the construction of ghetto housing and deal a body blow to the public and private building program in Western Australia and calls on the Premier to vigorously oppose the implementation of this regressive change.

The matter appears to be in order. If sufficient members agree to this motion, I will allow it.

[Five members rose in their places.]

The SPEAKER: The matter shall proceed on the usual basis, with half an hour allocated to members on my left, half an hour to members on my right, and five minutes in total to the Independent members, should they seek the call.

MR McGINTY (Fremantle - Leader of the Opposition) [2.35 pm]: I move the motion.

One hallmark of a civilised society is, undoubtedly, the way in which we care for and treat the less privileged members of the community. Homeswest has been one of the great egalitarian institutions which has existed in this State and which has provided to the people of this State a basic right of accommodation. Historically, Homeswest has set about achieving very important social and economic objectives for this State. Those great benefits are now under serious threat because of the proposal by the Federal Liberal Government, acquiesced to by this State Government, to turn public housing in this country on its head. The proposals which have come out in the form of a letter from the Prime Minister are, firstly, to put a complete end to commonwealth grants to the States for social housing construction; secondly, to move all rents charged by Homeswest to their full market value; and, thirdly, the Commonwealth will accept responsibility to pay low income earners a subsidy to help offset the full market cost of rentals.

It is quite clear there are two immediate consequences from this policy. Firstly, it will put an end to Homeswest's housing construction program. This action will be recognised by the housing industry as an economic disaster for one of the most important sections of this State's economy. Secondly, it will be the end of Homewest's policy of integration throughout the entire community. This proposal will spell the end of choice for the great bulk of Homeswest tenants.

It is of grave concern to me that we have not heard this Government standing up to these changes by telling the Federal Government that what it is proposing is not in the interests of Western Australia and, particularly, not in the interests of the 34 000 families who currently are Homeswest tenants. All we have seen is a meek acquiescence by the Minister and the Premier in what it is that Mr Howard proposes to do and I am sure it is something which will be economically and socially disadvantageous to this State in the years ahead.

I will address the economic question first. Traditionally Homeswest has been involved in constructing between 10 and 15 per cent of the houses built in this State each year and there is no doubt it has had a major role to play in keeping the home construction industry buoyant. During the recession in the early 1990s Homeswest kept many building firms, subcontractors, architects and others associated with the housing industry afloat when the building industry went through the worst downturn it has experienced in recent times. Things are not that much better today, but the policy that will be engaged in will result in a dramatic reduction in the number of homes built in this State because of the abolition of the construction program which will follow.

It is quite clear that the federal Liberal Party's proposal to end the construction grants to the State will see an end to the Homeswest construction program, replacing it with a subsidy paid to low income earners. It will put an end to a very important economic tool which has been used in the past to assist a vital sector of the economy. Through the

sheer size of Homeswest's construction program, funded significantly by commonwealth grants under the Commonwealth-State Housing Agreement, there was great capacity, during times of economic downturn and recession in the industry, to act counter cyclically and to increase the level of Homeswest construction to keep a number of the small businesses in the home construction industry afloat. The important economic tool to be able to render assistance to one of the key sectors of the economy will be done away with by this proposal and, once again, the industry will be at the mercy of market forces.

That policy has been broadly enunciated by the Prime Minister. I say "broadly" because in correspondence from the Prime Minister to the Premiers of the various States dated 13 September 1996 he articulates the policy. That letter states -

> That shift includes the Commonwealth accepting responsibility for income support and housing affordability and the States and Territories having responsibility for the management and delivery of public housing services . . . it is proposed that the Commonwealth, instead of providing capital funding under the Commonwealth State Housing Agreement (CSHA), would pay rent assistance to both private and public tenants with low incomes.

It is clearly the death knell of Homeswest construction programs as we have known and enjoyed them over the past several decades in this State. What the Commonwealth Government proposes to substitute for that is nothing more than a wish and a prayer. It is best categorised as blind ideological hope that the private sector will somehow or other pick up the problem of providing social housing - that is, low rental housing for low income tenants. That will not occur. Financial institutions, superannuation funds and private investors have never seen investment in low income housing as something that would provide them or their shareholders with a good rate of return. Nothing is proposed here that will make it an attractive investment to build houses for people whose income and station in life mean they cannot afford, by and large, to pay the full market rent. I am referring to our senior citizens, people with disabilities, and, in many cases, people whose sole source of income is a pension. They cannot afford to pay the full market rate for rental in many circumstances, yet the Commonwealth Government has blind faith in the private sector stepping in to fill the breach. They are the new players on the block, yet somehow the Commonwealth Government expects them to invest hundreds of millions of dollars in what will be a losing proposition. Members opposite might have faith in the private sector; however, I have no faith that the private sector will step in and fill this breach. Over decades the Commonwealth Government has accepted that is not an area in which the private investor will invest. Investors do not find low income housing an attractive proposition because they will not get a return on their money. To hope that the private sector will step in to provide the investment to construct social or public housing is a blind hope based on ideology, wishing and praying. It will never happen in the real world. I predict now that it will not happen. Those people will continue to invest, to the extent they are investing in property, in projects that will give a better rate of return than an investment that will provide social housing for lower income earners.

The Commonwealth is proposing a standard subsidy of $70 a week to be paid to each low income renter. That money will then be used to offset the market rent that is paid. The only consequence will be that those low income earners will be forced into the cheapest accommodation available in the market. It will mean that those people who, over the years, have been the beneficiaries of a government policy which has seen the integration of Homeswest accommodation throughout most suburbs in the community and people of lower socioeconomic bases integrating with the rest of the community will be able to afford accommodation in only a few areas. That integration has been socially beneficial and it should continue. It will not continue under this proposal. The Labor Party has a very proud record on the issue of public housing with a rent structure based upon the means of the tenant; that is, one pays a certain percentage of one's income as rent. Some might regard people paying rent according to their capacity to pay as an outmoded notion. I do not. Socially it is extremely progressive and it is important it be retained. That will go out the window with the Commonwealth Government's policy. Market rents will take over. We will find that most Homeswest tenants will not be able to afford to stay in the houses that they consider to be their homes. While the Labor Party was in government there were high levels of construction because we saw Homeswest construction as meeting important economic and social ends. On the economic end, that stimulus and support for the housing industry was given at times it was most needed. It needs that support now, because the housing industry in this State is one of those industries that is undergoing great stresses as a result of a downturn in demand for housing.

I will acquaint members with the figures for Homeswest construction over time. In the 1992-93 financial year which, incidentally, was when I was housing Minister in this State, 2 327 Homeswest dwellings commenced construction. I will contrast that with the figure from this year's Budget which proposes, for the current financial year, that a mere 788 Homeswest dwellings will be constructed in Western Australia. That is a dramatic decline, which was not warranted, but which reflects the priorities and policies of this Government. Lower income tenants do not rate as a priority for this Government. The number of houses constructed by Homeswest have fallen to one-third of the figure when I was the housing Minister in this State. That is not peculiar to this year. The decline has occurred in every year since the change of Government. From 2 327 Homeswest units constructed in 1992-93 the number fell in the

following year to 1 753; in 1994-95 it was down to 1 634, in 1995-96 down to 975 and, of course, this year it will be 788. That dramatic decline in the priority this Government gave to public housing is now reflected in the policy of the federal Liberal Government; that is, to do away with it altogether. That might have been the agenda all the way along as is reflected in those dramatically declining figures for housing construction. Let us look at the context in which that occurred.

In 1990-91 the whole of Australia was in recession. That recession bit deeply into the housing industry in this State. In 1990-91 there were a mere 12 935 housing starts in Western Australia. That figure was the lowest people could remember. The response of the then Labor Government was to maximise the Homeswest construction program with 2 300 housing starts in the following year. As a result of that the housing industry recovered in the early to mid-1990s with housing starts during the years 1992-93, 1993-94 and 1994-95 being just above 20 000 in each of those years. In 1995-96 that fell to 15 200 housing starts in Western Australia. We had a dramatic fall off in the level of housing construction in this State, and a projected figure for the current financial year to end on 30 June next year is a mere 15 900 starts. The housing industry in this State is performing well below a desirable level of economic activity and housing level starts. What is the Government's policy? It is to take a further step back and not have the housing starts associated with Homeswest factored into that. If ever there were a time when a policy such as cutting back on public housing construction would be considered, it would not be now. The housing industry needs all the support that the Government can give it. Traditionally, the Government has given the housing industry a lot of support when it needs it most, and that is when the number of housing starts are low. Economically, the Commonwealth Government's idea makes very little sense. The Labor Party has responded appropriately by meeting the social and economic objectives. The Liberal Party's response is purely ideological and it is now riding on a hope that the private sector will move in. Every realist among us knows that will not occur.

At a social level, when considering government policy, there can be no more important matter than to emphasise the dignity of the individual concerned. It is vital for Homeswest tenants to know whether the security of tenure they have enjoyed will be taken away or whether they will remain secure in the place they call home. Telling these people that the long term effect of this Government’s policy will be that they will be required to rent in the private sector without that security of tenure will have a disastrous impact.

Once Homeswest construction is stopped and the policy of paying rent subsidies to individual tenants is reduced, tenants will be reduced to living in the outlying suburbs where, with their meagre subsidy, they will be able to afford low cost housing only. This policy will destroy completely the idea of having social cohesion, cooperation and integration of a community with people from different walks of life and economic status living together. That is an enormous backward step. We all know the consequences of grouping together people from one low economic group. We have seen this happen in our various electorates around the State. This is exactly what this policy heralds a return to.

People with disabilities will be the great losers out of all of this. Homeswest had - I emphasise the word "had" - a great track record in providing purpose-built housing for people with disabilities, whether that be blindness or a physical or mental disability. Homeswest did all of that work. That program is yet another that is under threat. People in this State who suffer from disabilities have much to fear from this policy because neither resources nor the priority will be given to catering for their needs in the future.

The aged was always a great client group for Homeswest. In the days before superannuation became a reality for the bulk of the Australian work force, many people of my parents’ generation retired and then went on the old age pension. If those persons did not acquire their own homes during their working lives, they then relied on Homeswest to provide accommodation in their retirement years. That is just the way things were done.

I appreciate we live in changed times, but we cannot wind back the clock. Many of our senior citizens are in that economic position today. Homeswest accepted the challenge, and set about providing a whole range of accommodation and services for our senior citizens, who made great contributions to the development of this State. The State then repaid them by recognising that contribution and by providing accommodation. Whether it be in the marketplace through the WiseChoice program or through the rental program, purpose-built accommodation made Homeswest stand out as being an excellent provider. That will end.

Who will pick up the responsibility for providing that accommodation to our senior citizens? I believe the State has a responsibility in that area. I look forward to hearing from the Minister for Housing about the way in which he has stood up for the interests of our senior citizens - those 34 000 families who are reliant on Homeswest to provide them with accommodation. We have heard nothing from the Minister, and not even a whimper of protest from the Premier as all of these great economic and social programs have been turned on their head as a result of the social experimentation by the Federal Government, with its absolute commitment to market forces, to deliver housing for low income people. It will not work. It will be a disaster. I expected more than we have seen from this State Government and for it to stand up and fight for the interests of Western Australians.

MR RIEBELING (Ashburton) [2.53 pm]: It is outrageous for this Government to sit on its hands on this issue. The Government has encouraged this crazy policy decision by the Commonwealth. Over the past four years of this Government we have seen a deliberate winding down of the building program and a deliberate destruction of some suburbs. The number of Homeswest accommodation units in some areas has been run down dramatically. We will witness the expected destruction of the suburb of Karawara in the next year or so. The Federal Government is saying that this type of policy should apply throughout Australia. We have heard from the Leader of the Opposition about the program of construction that was in place prior to the Liberal Government taking office. If that program had been continued by the current Government, we would have an extra 4 150 houses in our stock at the moment. Yet this Government wound down the building construction program to the extent that it is less viable.

Under this new system, where the Federal Government will provide a housing supplement, we will find that people in Homeswest accommodation in the inner suburbs of the metropolitan area will have to leave their homes and move to the outer suburbs of Perth. The Commonwealth's rhetoric is that the existing tenants will be protected; however, everyone in this House knows that if it wishes to achieve its other goals, that is not possible. I have checked one example where a person who is on a pension and lives in a duplex in Manning pays $32.70 a week in rent. If the subsidy is $70 a week, under this system that person will pay $102.70. The current rental for a duplex in Manning is $160 in the private market. These people will end up being moved to the outer suburbs of the metropolitan area. Those who need the most help will have the least resources. When new suburbs are developed, the infrastructure in them is lower; therefore, access to private services is reduced.

The Federal Government expects the private sector to build special accommodation for people with disabilities. That is nonsense. The private sector is in business to make money, and it invests in real estate to make money. These people who expect the private sector to take up the challenges of housing people with disabilities are in fairyland, and this Government is right there with them. This State Government has supported the Federal Government. In-principle support for this new program has come from the Minister for Housing. He does not even know what the Commonwealth is planning to do. A letter came from the Prime Minister saying that the capital works program will be wound back and no-one will be hurt. Although some members in this place might believe that is achievable, no-one else in Australia does, except for perhaps the Minister for Housing, who does not understand what the Federal Government is planning.

The direct result of relying upon the private sector to provide welfare housing will be that either the private sector will build substandard accommodation and therefore make profits out of the low rents it will achieve, or old houses that are run down because of a lack of maintenance will be used for welfare housing. The people who live in these houses will not create ghettos; they will be created by the private sector providing substandard, old accommodation that has been poorly maintained. The people who live in that substandard accommodation will have no choice - absolutely none. Those with disabilities will be even worse off because the purpose-built housing, which the State provides, will disappear very rapidly.

As has already happened in other areas, this Government will sell off all of its inner suburban real estate. The building program will be limited to the outskirts of the metropolitan area. Between 10 per cent and 12 per cent of the market will disappear, which will have an adverse effect on the building trade that relies upon Homeswest for its bread and butter part of the market. Without that base trade and without the standards set by Homeswest, the marketplace will set its own standards. They will be much lower than we have now, especially for welfare orientated people. An inherent danger in that system is that some areas of some suburbs will develop into ghettos, with the grouping of people in the same economic situation, instead of there being a mix, as has been very well achieved in our society in the past. We have do not want to have a split society. We do not want to have suburbs which comprise predominantly people on low incomes. We want to have a mix in this State, because that has served us very well.

Mr Strickland: That is what you want.

Mr RIEBELING: I do not have time to enter into an argument with the member for Scarborough, but he knows and I know what the public housing building program has been for the last decade. This new system will destroy that building program. If the member for Scarborough does not know that, he should ask his Minister what he is doing about it, because he is doing absolutely nothing. He has agreed in principle to the new system; perhaps he has told the member that he is arguing very hard, but one would not know it if one read the papers or any communications from him.

MR KIERATH (Riverton - Minister for Housing) [3.00 pm]: I cannot believe the Opposition would move this motion. It is totally unbelievable. For a start, it is frightening some of the most vulnerable people in our community, with no foundation whatsoever. I can understand members opposite attacking me and the Government; I cannot understand why they would attack those people.

Several members interjected.

The SPEAKER: Order! The number of interjections is intolerable. I think there was one interjection throughout the whole of the Leader of the Opposition's speech, and I found it most interesting to be able to listen to him without interjection. The member for Ashburton spoke with only a small amount of interjection. It is not appropriate that when somebody else gets up, there is a rash of interjections. We should be able to hear the Minister for Housing put his argument just as we heard the other two speakers.

Mr KIERATH: That demonstrates the double standards of members opposite.

I did not think the Australian Labor Party in this State would ever stoop so low as to try to score political points from those people who are financially vulnerable.

Several members interjected.

Mr KIERATH: It is fascinating that members opposite do not want me to have my say; I guess they know what I will say. Guess who conceived the proposal that is currently being bandied about?

Mr Nicholls: Labor!

Mr KIERATH: Yes, Brian Howe, the former Labor Party Deputy Prime Minister; not only that, he was in the socialist left wing of the Labor Party. This proposal was his brainchild, and it has been permanently embedded into the minds of the bureaucrats in Canberra. Former Housing Ministers on this side worked on Brian Howe and got him to move away a bit from that model, but when the change of Government came about, out came the model again. I want the public of Western Australia to understand that we are dealing with Brian Howe's public housing policy, and that is what we are trying to prevent in some respects. We acknowledge that whatever we do will never be perfect; it is always possible to improve housing. The Federal Government has said that it wants to reform and improve public housing. Those are very noble words. However, I received them with a great deal of scepticism, because usually when I hear those words from a Federal Government, it is a forerunner to changing the funding base and loading more funding onto the States. I have written a number of letters to the Federal Minister for Housing, Senator Jocelyn Newman, and have been lobbying her and the bureaucrats to try to convince them not to adopt the model that Brian Howe was proposing.

Mr Prince: And which Prime Minister Keating launched in November last year in Queensland.

Mr KIERATH: Exactly. That is what I have been fighting against. Had the Labor Party had its way federally, that model would have cut public housing funding for this State by half from $100m to about $50m. The Labor Party knows more than anyone in this House what that proposal would do for Western Australia. We have said to the federal Minister for Housing, and the Prime Minister, "Beware of traps. Is this an excuse to cut and to change the whole basis of our funding?" The federal Minister for Housing and the Prime Minister have given assurances that they will not cut public housing funding to the State and will not disadvantage any existing public housing tenants. On that basis, I am prepared to talk about reforms. I am prepared to listen to the other party's proposal. We have also received a concession that a task force will examine the reforms and make recommendations, and those recommendations will be subject to further consultation among all the stakeholders.

The principles exist; the details have not been worked out. The only details we have had are the details of the Brian Howe proposal. I agree with the Labor Party that the Brian Howe proposal would be devastating for public housing in this State. It would hurt the financially vulnerable people in this State. The Labor Party would have been a traitor to its cause had the federal Labor Government model been accepted.

Dr Gallop interjected.

The SPEAKER: Order! I formally call to order for the first time the Deputy Leader of the Opposition. An excessive amount of interjection is occurring. I say this quite often, but the member who has just spoken now seems to want to have half of the time of the next speaker for interjections. That is not acceptable, and it is not an intelligent way to handle a debate. Other members should be able to have their say about this matter.

Mr KIERATH: Members should compare the attitudes: When Brian Howe was the Deputy Prime Minister, his attitude was do it or else; no consultation. Although we acknowledge that some of the ideas are wrong, we now have a far more cooperative approach.

Mr Riebeling: Which ones?

Mr KIERATH: Let me finish. I will get to that. The new Minister is much more cooperative than Brian Howe ever was. She has been prepared to say that she will refer any proposals to a task force, which will comprise both commonwealth and state government officials, and also officials from Housing and central agencies such as Treasury. From this State's point of view, we believe our Housing and Treasury officials, who have been totally

united against the Brian Howe proposal - the Labor Party's devastating plan for public housing - will have a say on that task force and come up with recommendations. I am confident that those people will not allow the more silly parts of Brian Howe's proposal to get through. The federal Minister has said that she is prepared to negotiate on all points; in other words, no points are beyond negotiation. I am more than happy any day of the week to negotiate with someone who takes that sort of approach, which is much more than the Labor Party and some of the unions do in their negotiations.

The Minister has indicated that if the reform process is agreed, it will not be rushed or forced on people; the detailed proposal will go out to coordinated consultation with the relevant stakeholders. She said also - this is jumping ahead of the game a fair bit - that if we get agreement and everyone is happy, the proposal will be phased in over a period of three to five years. Compare that with Brian Howe's attitude; he was going hell for leather to get it introduced this financial year. The Federal Liberal Government maintained the existing level of funding for a further 12 months and said that reforms would then occur. Over recent weeks, John Howard has moved away from that even further and said that it might be a year or so after that before any reforms were introduced. That is an acknowledgment that these are not simple issues. If we want to change completely the basis on which we provide public housing, some very deep thought must be put into it and a transitional phase planned.

Dr Gallop: In other words you will not do it.

Mr KIERATH: No.

Dr Gallop: Exactly.

Mr KIERATH: This shows the stupidity of those on the other side. The only proposal we have is from Brian Howe, but we do not have a detailed proposal. That is why it is difficult for me to deny almost anything associated with it. There is no concrete proposal, only a set of broad principles. I can assure members of the House that this side will not allow itself to be sold down the drain by a coalition Government. We have been given assurances by the Commonwealth Government that it will accept responsibility. Before I outline those assurances, I want to give some figures which will be important for the House to note. Right around Australia 900 000 families are getting rent assistance in the private sector; that is almost one million people. The average subsidy is $30 a week or $1 500 per year per family unit.

Dr Gallop: Those are Labor initiatives.

Mr KIERATH: I am not arguing about where they came from.

Dr Gallop interjected.

Mr KIERATH: Let me get the facts out. If we are to make a decision, we must do it on the facts. Some 390 000 families in Australia are in public housing. So those people represent a little over one-third of the other total. The average subsidy is $4 000 per annum per family -

Dr Gallop: That is redistribution of wealth to people who need it.

Mr KIERATH: Now we see the real face of the Labor Party.

Dr Gallop: That is what it is called.

The SPEAKER: Order! I formally call to order for the second time the Deputy Leader of the Opposition. He cannot shout and scream when somebody else is speaking. No-one should have to put up with people ranting on.

Dr Gallop: I object to those comments.

The SPEAKER: I object to your interjecting. Four times I have called you to order.

Mr KIERATH: The point I was making is -

Dr Gallop interjected.

The SPEAKER: Order! The Minister will resume his seat. It does not matter whether the Minister is speaking; it does not matter that he directed a question at somebody or that he directed it at the Deputy Leader of the Opposition; the member is not required to answer. No rule in this place says that.

Mr KIERATH: The point I was attempting to make is that some people receive a $4 000 subsidy for public housing and some people in the private sector, who maybe need that assistance but cannot get it, receive $1 500. That is the disparity. I will grant Brian Howe one thing: As a socialist left winger he thought it was unjust and tried to level those two.

Dr Gallop interjected.

Mr KIERATH: The new Minister also wants to bring those two levels closer together. Out of the 390 000 people, 330 000 receive Department of Social Security benefits, which means that many of those people cannot afford to rent in the private market and are condemned to have access only to public housing. Let us assume that we could find a way for them to access the private sector housing, as long as they were not forced into it; would that not be an option to investigate to give them more choice than they have?

Dr Gallop interjected.

Mr KIERATH: I am prepared as Minister for Housing to do anything I can to get more choice for people who may be at the lower end of the housing market. I have alway been about that. The principles of reform that have been agreed to by the Housing Ministers are that the Commonwealth will accept responsibility for income support and housing affordability and the States and Territories will take responsibility for the management and delivery of their public housing services. The second principle is that the reforms will be revenue neutral with neither the Commonwealth nor the States and Territories being disadvantaged. Compare that to Brian Howe's proposition, which would cut our funding in half in this State. I was more than happy to agree with that principle.

The third principle is that existing public housing tenants will be protected and not financially disadvantaged. If somebody gave me that promise and undertaking, I would be prepared to talk to them about change. Under the commonwealth proposals, which we have not yet developed, the Ministers gave an undertaking they would do that only if new housing tenants did not have to pay more than 25 per cent of their income in rent. Most of the 900 000 people out there who receive rent assistance are paying far more than 25 per cent of their income in rent. However, under this proposal, if they qualify for public housing, they will not be paying any more than 25 per cent whether in the public or private market. I pledge my support to do what I can to provide them with affordable housing and give them more disposable income in the household budget. We support that, which is more than the Labor Party can do. It is absolutely disgraceful, because they are the people the Labor Party is supposed to represent.

The Commonwealth is also committed to a framework for housing assistance that will continue to support crises accommodation and community housing. The Commonwealth has been very light on crisis community housing. We have lobbied heavily for that, and have not yet received details on which we can take action. Under the proposed reforms, if a package emerges on which everyone can agree, people will end up with greater choice of where they wish to rent. The claim about ghetto housing is strongly opposed. Every member on this side of the House would oppose with every fibre of their being any proposal that would establish ghetto housing. I want to compare the performance of this Government with that of the Opposition. I do not take credit for it, because former Ministers for Housing started the process. We have been demolishing and dismantling public housing ghettos that were established by former Governments, sometimes ours and sometimes the Labor Party's. In Kwinana there was a huge sell down in the public housing component, and the same applied to Lockridge and many other suburbs. Recently I released a list of 14 suburbs in which we will dismantle and reduce public housing. We are going in the opposite direction and dismantling ghettos and not doing anything to increase or establish them. One of my colleagues has said that when the Labor Party was in government it supported concentrations of public housing. It is true, it did. Every credible commentator around the world says that is the wrong way to go.

When we look at the results, we can see where the Opposition has gone wrong. When we came into power 17 000 people were on the waiting list; today there are fewer than 12 000. That is an outstanding record by anyone's judgment. We have helped people who have been in the public housing trap to buy their own homes.

Several members interjected.

The SPEAKER: Order! The member for Morley.

Mr KIERATH: We have helped Western Australians become part of the great Australian dream of buying one's own home. I make no apologies for that. We have encouraged people to do that and will continue to encourage them. We have helped people to buy their own homes who would otherwise be condemned for the rest of their lives to rent. They have said that is one of the most wonderful feelings they have experienced. I had the pleasure of launching our Aboriginal home ownership scheme. I asked the family what it felt like. They said, "We sat there and said, 'We have our own home. Isn't it wonderful?' Mind you, it is with the bank and the finance company."

Mr C.J. Barnett: Just the same as for the rest of us.

Mr KIERATH: Yes. We are very proud of those results. I promised the Opposition that I would outline some of the concerns I still have and which will be the subject of further negotiations. The reason I explained that reduction list is because we have been successful in encouraging home ownership. We have not got a commitment yet from the Federal Government to further home ownership. We believe the model rewards the housing failures of cities like

Sydney by providing a greater subsidy there than it does to the people of Perth. We believe that in Perth we have the most efficient and effective high quality housing in the whole country. We should not be disadvantaged as a result of that. Western Australia should become the benchmark for the model or formula, as it is in most other areas where we are leading the country. The model is silent about people who have special needs, such as Aborigines and people with disabilities. We have introduced two schemes in this State to help people buy their own homes. I will fight for those two groups and other interest groups with every fibre of my being. So far I am pleased to say that the Minister has given me the appropriate assurances. However, I have cautioned her a number of times that if she moves away from those assurances, she will have a fight on her hands. I have faith that the Federal Government will honour those principles, which is more than I could say about the previous Government.

In reality, the people living in public housing cannot afford to be in the private sector. They have only one choice now; that is, the public housing choice. Under this choice we will still have public housing stock; it will not disappear. As the Leader of the Opposition said, people occupying public housing who meet the criteria have the choice of staying there for the rest of their lives. That will not change. However, we will give them other choices which may enable them to purchase affordable housing in the private sector. As long as their current choices are not taken away from them I am prepared to investigate any opportunity that will provide greater choice.

I refer to comments by members opposite that they have not heard a whisper from here and that we have been sitting on our hands. I am sure the former Minister for Housing will describe the huge efforts he made to convince Brian Howe to change his position. I have been making those efforts, but I have not been grandstanding and seeking publicity. I have been working behind the scenes and communicating with the new federal Minister, taking into account that she had a budget process to work through. We have been working with her to effect changes. The outcome at the ministerial conference proves that our way works and we can achieve concessions.

Finally, the issue of housing starkly highlights the difference between the Labor Party and the coalition government is policies. This Government makes no apology for the fact that it stands fairly and squarely for the maximum level of home ownership it can achieve without putting people into housing poverty. We stand for the Australian dream of owning our own home. However, the Deputy Leader of the Opposition said that he is about redistributing wealth. He wants to take it from the private sector. No issue more clearly highlights the difference between both sides of Parliament than this. I will vigorously oppose this motion. We on this side of the House will do everything we can to improve the lot of people in public housing in this State. We will also help people to buy their own homes.

MR W. SMITH (Wanneroo) [3.23 pm]: Large amounts of capital funding are at risk as a result of Governments building large areas of public housing. That is the opportunity cost.

Mr Leahy: Every home owner should have a million dollar mortgage!

Mr W. SMITH: It is funny to hear the Opposition go on about this issue. It has no policies of its own; its only policy is to hit Wanneroo. That is why it will cost the Labor Party the next election.

The large amount of money being tied up in buildings can be released for other reform and intervention programs, and it should be used that way. Where demand exists, the private sector will quickly respond to that demand for the benefit of users.

Mr Graham: Where in the world has it done it?

Mr W. SMITH: Members opposite should examine some of the United States' policies on this issue.

Several members interjected.

Mr W. SMITH: The Labor Party was such a bad money manager and put the State in debt for billions of dollars, yet it is trying to tell this Government what to do. It is a joke.

Mr Graham interjected

The SPEAKER: Order, the member for Pilbara.

Mr W. SMITH: A place exists for WiseChoice; that is, a private builder could build accommodation and the Government could lease it back. Sales could also be made to investors which could be guaranteed by a government secured rental return. Of course the first option of purchase for the WiseChoice homes could be given back to the Government. Many good things will come from this.

A short time ago the Minister raised the issue of inequity facing people waiting to move into Homeswest homes. In my fairly large electorate, in which there is a need for government housing, Homeswest homes were built on the extremes of the urban expansion such as the Clarkson-Merriwa area. With this program, people will have the

opportunity of moving closer to the city and to facilities which cost a lot of money while they live so far away. This Government has it right and I look forward to seeing the policy working.

MRS PARKER (Helena - Parliamentary Secretary) [3.27 pm]: In opposing this motion I welcome this issue being raised in the public arena. Prior to question time today I had lunch with some people from my electorate. This issue of public housing and the potential impact of the commonwealth changes was raised in a question from one of the community representatives who were at that lunch. I was able to tell her that a debate would be taking place and she has been able to stay for most of it. We are talking about people who are Homeswest tenants or purchasers and who are among the most financially vulnerable in the community. We must address this change carefully and provide proper information to people so that they are not made unduly anxious, and ensure that it follows a fair and orderly process. I am therefore pleased that this issue has been raised in debate today.

As I said, change is difficult for those who are vulnerable, so I will hold the Minister to his commitment - I also appreciate the former Minister's position - of lobbying the Federal Government to ensure that the benchmark of public housing, the standard set in Western Australia, will be maintained in Western Australia and perhaps copied in other States. Since I have been a member of Parliament, I have experienced various types of Homeswest communities. One is an established Homeswest community where, under the previous Government, the proportion of rentals to ownership far exceeded what is now Homeswest's target of one ownership in nine. That suburb experienced a range of significant social problems typical of those which arose as a result of the creation of Homeswest estates in the 1970s and 1980s. They were an experiment that this Government has changed.

I have seen people from those communities have the opportunity of buying their own home under programs put in place by this Government. A great deal of pride in a broad community sense and among individual families is obvious in those suburbs. Members should remember that a Government should bring dignity and liberty to members of the community. We are talking about getting people out of housing poverty into housing ownership. We do not want to keep people in rental bondage. If at all possible we should assist them to achieve freedom of ownership. I have watched that happen.

I have also watched newer suburbs emerge because the Government has had a policy of allowing people to purchase blocks when they do not qualify for Homeswest rental and are not sufficiently economically viable to allow them to enter the private ownership market. The Government has provided Keystart support by changing significantly a program instituted by the previous Government that had major problems because people owed more money than their properties were worth. I have watched people in suburbs that have been Homeswest developments buy their own homes and look after them with a great deal of pride.

Western Australia's record is significant. I repeat that waiting lists have been reduced from 17 000 to 12 000 in the past three years and residents now own their properties instead of renting them. This Government has put in place the first Aboriginal home ownership program under Homeswest. It also introduced a home ownership program for the disabled. It is this Government's policy to meet the needs of the disadvantaged in the community. We have recognised the needs of the disabled and have tailored programs and policies to meet that need. That is a first in that area. We have been able to identify the needs of the elderly and put programs in place to meet their needs. We have a commitment to help a broad range of groups attain that great Australian dream, home ownership. We have sought not to encourage dependence and give people a hand down, but to encourage independence and give people a hand up. I will make the Minister keep his word and we will watch the Federal Government's changes to ensure they do not impact on the quality of public housing and its availability in Western Australia. I do not want to see the standard drop. We provide a benchmark for this country. I will be watching, with the Minister and other members from this side of the House, to ensure that the changes will result in even better circumstances for those who need public housing.

DR WATSON (Kenwick) [3.33 pm]: A sentence from the letter sent to the Premiers of each State by the Prime Minister states that the proposed reforms will also allow the States and Territories to have greater flexibility in managing their estimated $34b worth of public housing assets, including through the charging of market based rents. How dare the Minister for Housing impugn the integrity of my friend and colleague Brian Howe? Brian Howe is a man of integrity, compassion and justice whose life in the priesthood and in politics was geared to advancing social justice and human rights. For a man like this Minister to impugn him is absolutely sickening.

If it were not for the Commonwealth-State agreement on housing for people with disabilities, this Government would not be able to claim the praise that it is seeking from the community for accommodation support programs for people with disabilities. The accommodation support has been difficult. It has not been difficult in the past to find the bricks and mortar. However, finding the recurrent costs for support has been difficult. These proposals will hurt people with disabilities. Any accommodation will be away from facilities such as shops and transport. The cheapest tender will win. The Government will not be looking at the needs of people with disabilities, especially those who need moderate amounts of care, encouragement and independence. One thing that has been good with Homeswest is that

the income limit for people with disabilities has been 25 per cent higher than for other people on pensions. I foreshadow that kind of allowance will go.

There is no crisis in public housing, except for the potential tenants, and there is no need to do this. The Government's priorities are wrong. No economic crisis has established the need to do this. It is inevitable that demand will exceed supply. When that happens rents will go up. People with disabilities will be disadvantaged already by increases in direct costs to them in this Howard Budget. Their prescription medication costs, transport costs, home and community care costs and rental costs will increase. I predict that they will not be able to get the kind of accommodation that is planned by professionals such as architects with experience in this area or occupational therapists, who should have a participative role in planning.

Mr Tubby interjected.

Dr WATSON: I do know very well. If this is left to the private market, it will not consult people who have disabilities about their needs in the planning stages. Economic rationalism is winning out at the federal and state levels. That will harm people with disabilities, seniors, Aboriginal people, and single parents. The Prime Minister's letter indicates the priority. He wants to start this in 1998.

Question put and a division taken with the following result -

Ayes (19)

Ms Anwyl	Mrs Henderson	Mrs Roberts
Mr Brown	Mr Kobelke	Mr D.L. Smith
Mr Catania	Mr Leahy	Mr Thomas
Dr Edwards	Mr Marlborough	Dr Watson
Dr Gallop	Mr McGinty	Ms Warnock *(Teller)*
Mr Graham	Mr Riebeling	
Mr Grill	Mr Ripper	

Noes (28)

Mr Ainsworth	Mr Johnson	Mr Shave
Mr C.J. Barnett	Mr Kierath	Mr W. Smith
Mr Blaikie	Mr Lewis	Mr Trenorden
Mr Board	Mr McNee	Mr Tubby
Mr Bradshaw	Mr Minson	Dr Turnbull
Dr Constable	Mr Nicholls	Mrs van de Klashorst
Mr Cowan	Mr Osborne	Mr Wiese
Mr Day	Mrs Parker	Mr Bloffwitch *(Teller)*
Mrs Edwardes	Mr Pendal	
Dr Hames	Mr Prince	

Pairs

Mrs Hallahan	Mr Court
Mr M. Barnett	Mr Omodei
Mr Bridge	Mr House
Mr Cunningham	Mr Marshall

Question thus negatived.

ACTS AMENDMENT (ASSEMBLIES AND NOISE) BILL

Second Reading

Resumed from an earlier stage of the sitting.

MR PRINCE (Albany - Minister for Health) [3.41 pm]: When debate on this Bill adjourned before lunch I stood to reply to matters raised by members opposite in the debate. I thank members for their contributions and for the support of the Opposition for the legislation. Various members raised a number of matters which I shall canvass as best I can in this response.

The member for Balcatta made the point that the urgency that perhaps existed for legislation of this nature approximately 18 months ago does not seem to be as great as it was. I agree that seems to be the case, and I suspect and suggest it is largely because of the working party that the Government established in 1993-94 which produced operational guidelines for rave parties, concerts and large public events, dated 1995. That document had been

prepared as a result of fairly extensive discussion not only among the agencies which appear in those guidelines - the Attorney General, the Police Service, the Department of Environmental Protection, the Health Department, the Australian Institute of Environmental Health WA Division, the City of Fremantle, the City of Nedlands, and the Western Australian Municipal Association - but also several of the promoters of rave parties. There was general agreement among all parties, including the promoters I am pleased to say, that some degree of regulation, control and management of rave parties was needed. That is to the credit of the promoters by and large. The member for Balcatta has been reasonably critical of the party which he observed.

Mr Catania: It may have happened before that report.

Mr PRINCE: It may well have done. A number of promoters, who were part and parcel of the consultation and development of the guidelines, were responsible people who wanted - as did everyone in a pragmatic way - to continue to offer something that was then fashionable among young people. Obviously, they made money from the operation of those parties, but they wanted to run them in a safe, regulated and controlled way so that there would be no harm to anyone and, subsequently, no attempt to ban and hence drive them underground. The urgency is not as great as it was, but it is still necessary for these amendments to proceed because rave parties are still being conducted.

Of course, the legislation deals not only with rave parties, but also with any large gathering of people where there may be a significant amount of noise. The Bindoon rock festival comes immediately to mind, and on previous occasions the member for Vasse has referred to problems in relation to rock concerts or the equivalent in the Busselton area at Christmas time. No doubt other members have individual examples from their electorates.

Mr Blaikie: I welcome the legislation. People have been terrorised in my area as a result of unruly behaviour. It is important to have some control.

Mr PRINCE: Whether or not rave parties as such are currently the fashion among young people, the legislation has somewhat wider applicability than rave parties. The member for Balcatta canvassed, as did various members, other matters relating to noise they said should be examined. The member for Balcatta spoke particularly about the noise between neighbours. It is a contentious and difficult issue. I will cover a number of comments by members on this matter. The noise abatement regulations are in the process of being completed. They have not been sat on in the sense of their not being progressed; however, the different examples given by a number of speakers today clearly illustrate that it is a highly contentious and difficult area. One must balance the reasonable protection of individuals against the rights of other individuals and groups to engage in behaviour from time to time which might cause some noise. It is anticipated that the noise abatement regulations will be released soon for consultation.

The member for Maylands raised the issue of consultation and I understand that will take place. She also referred to the complications that arise with industry coexisting with residential areas, and building sites which may be noisy for a limited period. The situation on building sites can be contrasted with that in industrial areas where the noise is constant and over a long period; indeed, for as long as the industry is located in that area. Those are some of the reasons the regulations have been so difficult to draft and have taken so long. It has been a complicated process with many conflicting examples and interests. I make the point that the regulations are in the process of being completed now. They do not relate to the Bill before the House, but the issue has been canvassed by a number of members.

The member for Balcatta raised the issue of the sale of alcohol in connection with rave parties and similar events. Most rave parties I have heard of or read reports about - certainly this applies to the party attended by the member for Balcatta - do not supply or sell alcohol. That is as it should be. Most of the large parties of that nature attract children or teenagers who are under the legal age for consumption of alcohol and, consequently, no alcohol is sold. That is appropriate. I am sure the promoters also take that view. In order to sell alcohol they would need to police strictly to whom the alcohol was sold from an age point of view, as well as regulate the non-serving of alcohol to intoxicated people and so on. This area is of particular interest to me as Minister for Health and it is the subject of review at the moment. Members may be aware that, under the Liquor Licensing Act and regulations, occasional permits are the way in which parties can obtain a licence to dispense alcohol. The permit system has worked well in the past in the vast majority of cases, although problems have arisen in individual cases. This matter is dealt with under the Liquor Licensing Act and by the Minister for Racing and Gaming. I do not know that it presents a particular problem with regard to this legislation, so I simply make the point in passing. It is a matter that may have some bearing on very large gatherings, other than rave parties at which alcohol is not normally sold. The matter is canvassed and covered by other legislation, which is capable of being monitored by the police.

The member for South Perth raised a number of examples of excessive noise affecting people in South Perth. He referred to the recent Rally Australia event at Langley Park, and expressed the opinion that the noise generated was too loud. However, by interjection, he accepted that it was a still night and the sound travelled across water which allows it to travel further than if buildings, ridges and so on were in its path. Rally Australia occurs once a year for

a few days; that is, from Friday evening to Monday evening. It is an event which this year attracted an exemption under section 6 of the Environmental Protection Act. I am unable to inform the House of the conditions attached to the exemption, but I am aware that it was issued.

Rally Australia is an exercise in balance. One must look at the benefits to the State of conducting the rally within Western Australia, starting and finishing in the metropolitan area with a special events stage at Langley Park. I appreciate that people have differing views on this event. I understand that the special stage set up on Langley Park is one of a kind - nothing like it occurs in the World Rally Championship program. It is an attraction to have the rally championship run through Perth and the surrounding countryside. I understand that the event drew about $16m into Perth in a week through overseas teams. It is an annual event which has a very wide international television audience; in fact, in Europe alone it attracted in excess of 220m viewers.

The people of South Perth, as the local member expressed, did not enjoy the noise on the Saturday night, and that is a reasonable criticism. However, it is a matter of balance. It is a well-run event, has international recognition and has significance to the State. The balance in the case of Rally Australia was in favour of holding the event at its present location because of the benefits involved.

On behalf of the member for South Perth, I will ask the Minister for the Environment to respond as soon as possible on his concerns about a seaplane landing near Como jetty. The member also raised a question about whether Perth Water and other parts of the Swan River around South Perth could, as a result of the amendment to the definition of public building proposed by the Bill, be deemed to be a public building. Section 173 of the Health Act contains a definition of a public building and refers to buildings or part of a building where people may assemble for civic, theatrical, political, social, religious, entertainment, recreation, sporting or business purposes. The expression "public building" means a building used for any of those purposes or a building, structure, tent, gallery, enclosure or platform, or any part of it, where a number of people usually or occasionally assemble. The amendment would include the word "place" where appropriate in the definition of public building.

Therefore, the ability will be given to regulate large parties or assemblies other than those in an enclosed area; that is, those other than inside a building or structure. The member for South Perth wanted to know whether the Skyshow would be included in that definition. Could events which occur largely on areas such as Perth Water be regulated and deemed to be a public building? That is a far-fetched interpretation of the definition, even as amended by the Bill. One must read the insertion of the word "place" in the context of the current definition of public building which relates to structure and things constructed on land; it has no reference to water. I remind the member for South Perth that the legal advice he is receiving is worth only that for which he paid - that is, it is free.

The member for Maylands' comments have been mostly addressed. She made mention of the equipment used by environmental health officers of local authorities often being cumbersome, with calibration problems. As a result of opening the recent statewide conference of environmental health officers, and seeing displays of equipment suppliers, I am aware that significant advances are being made in equipment used by such officers, including noise monitoring devices. I have no doubt that the reliability of the equipment is improving and the legal technicalities to which the member for Maylands referred are likely to diminish significantly as a result of technological advancements. I note her comments about construction noise in Sydney. I reiterate that the noise regulations are likely to be available in the near future and they will be subject to public consultation.

The member for Morley was extremely diplomatic - an election must be in the offing - as he attempted not to alienate his older or younger voters by defining both orchestral and rock music as noise. It was extremely well done - I may well copy that line.

In a sense no formal consultation occurred with young people in developing the guidelines. In developing the guidelines, as I said earlier in my remarks, consultation occurred with not only the agencies which appear upon the guidelines, but also the promoters. Often the rave parties result from promoters and entrepreneurs organising and running them, and ultimately making money from them. It was those people who needed to be involved in the consultation in providing guidelines, as they provide the entertainment for young people. Without them on board, the guidelines would not have been such a success. The circumstances of late 1993 and early 1994, when the working party was established, meant that it was appropriate to involve the promoters, and not necessarily to canvass widely among young people. The process did not deliberately bypass young people who could have been consulted. However, the result is a good one and the guidelines work.

The member for Morley noted the amendments to the Environmental Protection Act relating to the seizure of equipment and the discretion to be involved in the process. The discretion is not unfettered. In fact, the new section clearly defines how authorised officers will determine how the noise is unreasonable. The amendments need to be read in the context of the Act. The discretion exists. To a certain extent a subjective element is involved, but it is not unfettered. The authorised officer must undertake a process before determining whether noise is reasonable or

unreasonable. Having made a determination, the amendment of new section 81A gives the authorised person or police officer the ability to seize equipment.

The member for Morley made a number of remarks about the safety of equipment and the value of much of the high powered public address system used in rave parties and large outside concerts. He conceded in his speech that one can prevent the equipment from working by removing small parts of it, which, if kept in custody safely, can prevent the unreasonable noise. It is not suggested by anybody that authorised officers or police officers would attempt to remove tonnes of equipment to prevent the noise. They will remove some essential component preventing the equipment from being used in situ.

Equipment stored in a police station - sometimes that cannot be done physically - must be kept as safely as can possibly be arranged. Undoubtedly, a case has arisen somewhere in which equipment was seized by the police and was subsequently damaged through no fault of the police - it may have been a fire or something of that nature. It is such a rare occurrence, the matter is adequately covered by the amendments before the House; namely, that if a person who receives the equipment has deliberately failed to take reasonable care, there may be a liability. Otherwise, as long as reasonable care is taken, the people seizing the equipment are not liable for any loss, damage or injury. It follows that the seizure is able to occur only where there has been, first, a determination of a reasonable amount of noise and, secondly, notice has been given to that effect, and the direction to cease the unreasonable noise has not been complied with. Therefore, a seizure occurs. It does not seem to be an unreasonable process in this Bill which amends the Environmental Protection Act.

The question of illegal drugs was raised by the member for Morley. I concur with his remarks. There is no reason to speak about illegal drugs in this legislation. It is more than adequately covered by the Misuse of Drugs Act, which makes it an offence to possess, traffic or deal in a variety of illicit substances. That is the criminal law. It is enforced by the police. As a result of other amendments in this Bill, police officers have the power of entry to any place where a party is in progress or a significant noise is occurring. Consequently the mere fact they are able to do that will ameliorate and mitigate against drug use in such venues where concerts, parties and so on are either planned or under way. The fact that a police officer is present usually manages to persuade or prevent people from engaging in what otherwise would be an illicit activity. If the police find people either under the influence of illicit drugs or in the process of dealing in them, they can take action, because they have the lawful power to do so. I commend the Bill to the House.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate and transmitted to the Council.

ROAD TRAFFIC AMENDMENT BILL

Second Reading

MR LEWIS (Applecross - Minister for Planning) [4.03 pm]: I move -

That the Bill be now read a second time.

Following the introduction of legislation last year to facilitate the transfer of licensing functions of the Road Traffic Act from the Police Service to the Department of Transport, the State Government has adopted a stronger and more coordinated approach to road safety. To achieve this the previous legislation is replaced by this Bill, which will facilitate the introduction of new and integrated initiatives to address licensing and road safety.

Road safety is to be given the highest priority by this Government and the newly formed Ministerial Council of Road Safety comprising the Ministers for Police, Education, Health, and Local Government and chaired by the Minister for Transport, is committed to using its resources to achieve a major turnaround in the community's attitude to road safety. This Government is committed to tackling the appalling injuries and loss of life which occur daily on Western Australian roads. This commitment is reflected in the amendments contained in this Bill, which provide for an integrated approach to road safety.

Pivotal in this Government's strategy is the adoption of a partnership approach to road safety, drawing on the expertise of government, industry and the wider community. In order to achieve this partnership, the Bill transfers responsibility for road safety from the Minister for Police to the Minister for Transport and provides for the creation of the Road Safety Council which will replace the existing Traffic Board.

Membership of the council draws on the expertise of professionals from the areas of transport, safety, coordination and planning, local government, education, health, enforcement and the insurance industry. Most importantly, the council will also include a person to represent road users and an independent chairperson who will have a strong

commitment to improving road safety and reducing road trauma, be a good communicator and have the ability and desire to focus the council on achieving its objectives.

The position of road user representative has been advertised and an appointment will be made by the Minister on the recommendation of the council. In making its recommendation the council will ensure that the appointee represents a range of road users involving vehicle drivers, cyclists and pedestrians. This person will be a "team player" with suitable expertise and experience in road safety and come from an organisation which makes a contribution and has a major role in respect of road safety. The local government representative to be nominated by the Western Australian Municipal Association will be the chair of the local government committee on road safety. All appointees to the council will have positions within their organisations which will ensure that they have a principal coordination role in respect of road safety.

The Road Safety Council will have the role of developing a strategic plan for road safety in Western Australia; identifying and coordinating the implementation of priority road safety action; recommending expenditures from the road trauma trust fund; and evaluating the effectiveness of the strategic plan on improving road safety. Facilitation of road safety, coordination, planning, community involvement and administrative support to the council will be provided by the Department of Transport through the Office of Road Safety. The first objective in the recently published strategy, "Road Safety Directions for Western Australia", is to achieve better road safety coordination. In addition to funding road safety projects, moneys from the road trauma trust fund will be utilised to assist this coordination through funding of the operations of the Office of Road Safety, as well as operational support for special priority road safety projects involving other agencies.

In future legislation, the Government will address funding issues raised in the fifth report of the Ministerial Task Force on Traffic Calming chaired by Hon Barbara Scott, MLC and the Auditor General's report No 1 of 1996 on improving road safety. These include a proposal that the road trauma trust fund be credited with all fines collected from camera based traffic infringements rather than the current one-third. It would appear appropriate that those who put road safety at risk contribute to the cost of its improvement. The Government believes that the funds should be credited with revenues from other approved sources such as road safety activities; for example, licensing the use of road safety logos.

The changes to the administration of road safety and licensing will bring Western Australia into line with administrative practice in the other States and will enable the Minister for Transport to contribute more effectively to the Ministerial Council on Road Transport.

The Bill divides the enforcement provisions of the Road Traffic Act into two distinct functional areas. The licensing provisions of the Act will be enforced by the Director General of Transport, while on-road enforcement will continue to remain the responsibility of the Commissioner of Police. The Bill empowers the Commissioner of Police and the Director General of Transport to appoint wardens to perform enforcement functions for their various areas of responsibility. These amendments will enable officers from the Department of Transport's mobile transport unit to enforce more effectively the heavy haulage functions of the Act. In placing responsibility for licensing under the Director General of Transport, the Act creates a single licensing authority for all driver and vehicle licensing in Western Australia. This will result in a simplification of reporting lines and will enable a more efficient management of licensing functions.

Clause 47 of the Bill empowers the Minister to enter into an agreement with the Commissioner of Police, local government authority or any other body to perform licensing functions on behalf of the Director General of Transport. In addition to the transfer of the licensing functions, the Bill requires applicants for the issue of a motor driver's licence to undergo compulsory tuition on the traffic laws and safe driving techniques. This initiative will enhance road safety awareness and ensure that applicants are better motivated and prepared to accept the responsibilities of holding a driver's licence.

The Bill also corrects a minor anomaly whereby inspection of buses and taxis can be required only on the renewal of a licence. This places an unfair burden on operators who renew their licences six monthly rather than annually. The amendment will provide for the annual examination of these vehicles irrespective of their renewal period.

Finally, the Bill validates actions taken by the Traffic Board in respect of the transfer of the licensing function to the Director General as from 1 August 1995. I commend the Bill to the House.

Debate adjourned, on motion by Ms Warnock.

TELECOMMUNICATIONS (INTERCEPTION) WESTERN AUSTRALIA BILL

Council's Amendments

Amendments made by the Council now considered.

Committee

The Chairman of Committees (Mr Strickland) in the Chair; Mr Wiese (Minister for Police) in charge of the Bill.

The amendments made by the Council were as follows -

No 1

Clause 3

Page 3, lines 13 and 14 - To delete the words "an officer" and substitute "a member".

No 2

Clause 24

Page 18, lines 15 and 16 - To delete subclause (2).

Mr WIESE: I move -

That amendment No 1 made by the Council be agreed to.

Mr CATANIA: When civilians were responsible for manning the Multanovas, the Government faced a problem with the prosecution of people caught by those cameras and in bringing the evidence to court. This amendment will ensure that a member of the Police Service can be employed to undertake that duty. The definition cannot be left just as "officer" because Western Australian legislation does not specify exactly whom the officer is. The definition in the state legislation is different from that in the commonwealth legislation. The amendment tries to clarify that. As it was pointed out in debate in the other place, the Police Act 1892 should have been amended to reflect the term that is commonly known these days to designate a member of the Police Force. The Opposition agrees with that change. However, it makes the small criticism that perhaps the change should have been undertaken in the Police Act rather than in this legislation. As an Opposition we must register that criticism; however, we endorse that change.

Mr WIESE: The member is correct. The complication arose because of the different definition of an officer in the federal legislation. If Western Australia's legislation had stood as it was, an officer under the legislation would be a commissioned officer. Clearly, the Government does not want these jobs being done by commissioned officers, but by the appropriate level of police officer within the service.

The Police Act has been worked on for the past 18 months to two years. I hope the Government will be in a position to bring that major legislative change into the Parliament in the next 12 months. The Act must be changed and updated. These matters will be dealt with in the Act. The only way the Government can deal with the urgency of this amendment is to deal with the change now.

Question put and passed; the Council's amendment agreed to.

Mr WIESE: I move -

That amendment No 2 made by the Council be agreed to.

Mr CATANIA: This amendment was proposed by Hon Nick Griffiths in the other place. The reasons for the amendment are clear. When the Bill was debated in this place I was of the opinion that penalties should be as harsh as possible whenever the provisions of this legislation were not respected. I maintain that belief. However, when I consulted my colleague Hon Nick Griffiths he convinced me that the penalties imposed under this provision were far in excess of what is appropriate for that action. I concur with my colleague. The Opposition reiterates its support for this amendment.

Mr WIESE: I thank the member for his support of this amendment. Both this legislation and the federal Bill already contain substantial penalties ranging from six months' to two years' imprisonment. The member for Balcatta worked on the Joint Standing Committee on Delegated Legislation for many years. From my time on that committee I know that it has a strong view that heavy penalties, especially those that involve a prison sentence, should not be applied by regulation. I respect the opinion of the Delegated Legislation Committee and have no qualms about making the changes. The changes will not affect the ability of the courts to impose substantial penalties, nor will they affect the operation of the Bill.

Question put and passed; the Council's amendment agreed to.

Report

Resolutions reported, the report adopted, and a message accordingly returned to the Council.

EAST PERTH REDEVELOPMENT AMENDMENT BILL

Second Reading

Resumed from 16 May.

MRS ROBERTS (Glendalough) [4.20 pm]: The purpose of this brief Bill is to enable the East Perth Redevelopment Authority to manage the Northbridge urban renewal project for the Western Australian Planning Commission.

The East Perth Redevelopment Authority was established under legislation debated in this House in 1991. Its establishment was one of the best initiatives of the previous state Labor Government. It stands out as one of the best urban renewal projects in Australia, particularly within the Better Cities programs. When the legislation was debated reference was made to other inner city renewal projects; there was much talk about the docklands development in London and the Darling Harbour development in Sydney. We hoped that the East Perth project would rival those projects, and it has been recognised Australia-wide as one of the most significant inner city renewal project, if not the most significant. It has already gone a long way towards achieving the goals set out in the original legislation. The area concerned has been absolutely transformed already, even though the project is not yet complete. It is quite remarkable that as little as three or four years ago this area, just one kilometre from the city on the water's edge at East Perth, was predominantly unsewered and used for industrial activities. Most of the property was government owned and used for a number of decades for industrial and other activities that were no longer compatible with an inner city area.

Concerns were raised by coalition members when in opposition that perhaps this authority might have too many powers, being both the planning authority and the developer. It now seems that in government they want to extend those powers. I note in the second reading speech the Minister has said that the authority's extensive planning and land resumption powers will not be extended for these projects; nor should they be. There has been a number of instances illustrating that conflicts already exist between the authority's role as a planning body and its role as a developer.

An advertisement appeared in *The West Australian* of 7 August 1996 - it appeared in that newspaper many times and possibly in other publications. I was quite surprised to see that it referred to one of the residential unit sites - lot 29 North Cove, at the corner of Beacon Terrace and Henry Lawson Walk, overlooking Claisebrook Cove - as being 897 square metres with potential for 14 units. An 897-square metre lot containing 14 units translates to an R160 zoning. I checked with one of the planning officers at the City of Perth and he confirmed that it would equate to an R160 zoning. I thought back to the statements made when the East Perth Redevelopment Authority put its planning scheme in place and what had been said to other property owners in the area, some outside the authority's immediate boundaries. They were told that the zoning within that area would approximate at a maximum of R100 and in many instances it would be about R60. On a couple of occasions people were advised that they were not to exceed the R100 zoning even though their properties were zoned R160 by the authority. Yet I see now advertised for sale a lot that can be developed to that extent. I understand the authority's rationale is based on an averaging principle. It is saying that it will allow R160 development on the block it is offering for tender and for that general area the zoning might equate to only R60 altogether. That is an example of a conflict between the development role and the planning role.

Another area of pressure has come to bear on the authority. As we all know, this project is cooperatively funded by federal, state and local governments. The first of the Better Cities newsletters of June 1994 pointed out that the Better Cities program in Western Australia had committed $250m to be spent over five years on selected urban projects. Of that, some $150m would be funded by the State Government. A lot of money is going into East Perth and it would make good commercial sense to maximise the dollars the Government can get for the lots it sells. It could then perhaps plough that money back into urban renewal. However, that maximisation should not be at the expense of planning considerations.

During this debate my colleagues will refer to the lack of affordable housing in the area. That was one of the concerns raised when the legislation was first debated in this place. If the focus has moved to retrieving money so that the State Government is not required to find other sources to make up its share of the funding of the redevelopment project, there are two problems. First, we must consider the community obligations, affordable housing and so on that were put forward as the benefits of going ahead with the project; and, secondly - and this must be first and foremost - the proper planning of the area.

What would a community make of a local government that started up zoning properties that it wanted to sell for particular projects? Any local government authority doing that would be roundly criticised. Many local government authorities own properties, but they are not in the business of rezoning them for their own financial gain or accepting an averaging principle over a block of land in order to maximise the dollar return.

I hope that the Minister provides some advice about what has happened to the much talked about affordable housing in East Perth. It has not eventuated and that is a great shame. I seek leave to continue my remarks.

[Leave granted for speech to be continued.]

Debate thus adjourned.

GRIEVANCE - ARGYLE DIAMONDS AFFAIR, FEDERAL POLICE REPORT; FBIS REPORT

MR CATANIA (Balcatta) [4.31 pm]: My grievance is directed to the Minister for Police, although it could easily be directed to the Attorney General. It relates to what has arisen out of the Argyle Diamonds saga and, more specifically, to the Australian Federal Police report commissioned by the Commissioner of Police into the issues raised in the report by Forensic Behavioural Investigative Services International Pty Ltd. It was a controversial report and when it was tabled in this House I, like the Minister for Police, was asked for my opinion on the report.

At that stage I had not thoroughly read the report and I sought the opinion of my colleagues who had had the opportunity to read it in detail. Like me, they were quick to discover that the report by the Federal Police conflicted with the conclusions reached in the FBIS report in more than 20 instances. The logical conclusion I drew was that the company was employed by the Western Australian Government and the Western Australia Police Service to investigate important areas, specifically the Rimmer and Spiers cases.

I expressed my concern in the media and received a letter from the solicitors of FBIS on 13 September. It reads -

> We are instructed to make the following demands:
>
> 1. You are immediately desist from making any further defamatory statements or providing false or misleading information regarding our client.
>
> 2. You deliver to our client a complete and unequivocal retraction and apology for the comments made on the particular news services outlined above, in a form to be approved by our client, and such publication to be published with the same prominence as the defamatory statements were made. . . .
>
> 4. Pay our client's costs of and incidental to this matter in the sum of $2,500.00.
>
> Unless you comply with the above demands we are instructed to issue legal proceedings against you. In the interim, we reserve all our client's rights in relation to the claiming damages and, in particular, in relation to any taking or initiating any proceedings as it may be advised.

All I did was to express a concern on behalf of the people of Western Australia. As a member of Parliament I have been threatened on many occasions and for many reasons. The Minister can advise the Police Service that I will not be silenced when I express an opinion on behalf of the people of this State. I certainly will not be silenced by a company which was remunerated by the Police Service, which provided it with manpower and other assistance, and then had the audacity to attempt to sell the information back to the Police Service.

I was absolutely aghast when I read at page 66 of the Federal Police report under item 4.4.32 that -

> 'FBIS is prepared to make its knowledge of the Argyle saga relating to allegations of police corruption and its expertise relating to dealing with corruption issues available on a fee for service basis to WAPOL and/or to the Office of the Ombudsman if required.'

Mr Wiese: Read the next bit.

Mr CATANIA: I will, because I agree with the conclusion drawn by the Federal Police. It continues -

> If FBIS has information relating to allegations of police corruption then it has a duty to provide that information to the relevant authority so that it can be investigated.

It has a duty to do that: It should not endeavour, as it did, to try to get a fee for service for information it had received free of charge from the Police Service. It did not get a fee, but it attempted to.

Mr Wiese: Are you going to read the conclusion?

Mr CATANIA: The report continues -

> Passing on this information should not be subject to commercial considerations.

Conclusion:

> FBIS has stated to the WAPOLINV that all relevant information it held has now been made available.

It has, but I reiterate it attempted to obtain a fee from the Western Australia Police Service and the office of the Ombudsman. However, the Federal Police stated it was morally wrong to actually suggest it. After all, the Western Australia Police Service had provided it with manpower and office facilities to assist it when it was compiling its report.

The reason for my grievance is that members of Parliament, as well as the community, have a right to give an opinion and lodge a concern. They should not be threatened by an organisation which uses its high powered solicitors to threaten people with court action or intimidate people with a letter of demand simply because an opinion was lodged. The opinion I expressed was not for my benefit, but it was out of concern for the people of Western Australia, who were paying the company. The company had the audacity to ask for a fee for service to provide the information which it had been given by that very agency. These situations should be questioned when they arise.

MR WIESE (Wagin - Minister for Police) [4.38 pm]: I thank the member for Balcatta for providing me with a copy of the letter he received from Home Wilkinson and Lowry, from which he has read excerpts to the House. When I first read the letter I felt a degree of sympathy for the member for Balcatta that he had received a letter of that nature. Having heard his comments the sympathy I had for him has almost disappeared. The member indicated that he made the comments in the media - on radio and television - based not on his reading of the report, but on the advice he received from his colleagues. It is no wonder my sympathy for him has almost disappeared. He speaks in front of every television camera and microphone he can find. I returned to my office at one o'clock today to look at the file which contains the cuttings of the comments made by the member. The comments mentioned in the solicitor's letter only touch the surface. I can provide half a dozen instances where the member has made exactly the same sort of comments on the public record. It is a wonder those examples were not included in the solicitor's letter.

Mr Catania: Do you agree?

Mr WIESE: I do not agree. My sympathy for the member and his situation evaporates.

Mr Catania: I do not seek your sympathy.

Mr WIESE: The member needs $2 500. The member has acted on the advice of his colleagues without reading the report. FBIS Pty Ltd did not conduct an investigation; it was an assessment of the previous work done by the Western Australian Police Service on those Argyle matters. The member for Balcatta quoted some parts of the report. If members read the report they would find that the reason some of those matters were dealt with in far more detail by the Australian Federal Police report than by FBIS related purely and simply to the fact that FBIS did not have all the material available to it. Section 4.7.1 of the report states that the AFP report established that the documentation examined by FBIS was incomplete and, as a result of investigative activity, further files and documents were obtained. That material placed some of the FBIS conclusions into context. The report states that prior to the AFP investigation relevant documentation had not been adequately recorded by way of a register and it was evident that it was difficult for FBIS to gain an overall appreciation of the relevant importance of documents. The report also states that the AFP received some material by fax as late as 18 August 1995, and found documents of significant evidentiary value mixed in various boxes and containers.

Surely if the member for Balcatta had read that comment he would have been in a position to understand that the FBIS report did not have access to all the available information, and it was not an investigation but an assessment across the top of the previous work that had been done by the Western Australian Police Service. Clearly the work that had been done by the Western Australian Police Service should be of considerable worry to every person in this Parliament and to most of the people in the public arena. I give full credit to Commissioner Falconer for his initiative in introducing somebody from outside to try to get to the bottom of the mess, by which I refer to the three previous investigations carried out by the Western Australian Police Service.

In relation to the work being done by FBIS since those times, I believe that every Western Australian would again give Mr Falconer 10 points out of 10 for having the nous and the proactive capability to bring in somebody from outside to assist, when he made a judgment that assistance was needed in an important area such as an investigation into the Spiers and Rimmer disappearances. Everybody in Western Australia wants to get to the bottom of those matters. I accept the grievance of the member for Balcatta. However, it should be seen in the context in which I have put it.

Mr Catania: Don't you think it is a threat or intimidation?

Mr WIESE: That is of some concern. However, at the same time members have expressed huge concerns at the abuses that we see from time to time in this Parliament of our ability to make comments that in many cases are not backed up or justified by the facts. The comments in the AFP report, especially those indicating that FBIS did not have access to all the information, puts this issue in context. That places the veracity of the comments made by the member for Balcatta about FBIS in considerable doubt.

I will close my remarks on the basis that FBIS did not have the full information. The subsequent inquiry that was instigated by Commissioner Falconer to look into the matters item by item, and the report which is now in the public arena, is a good result.

GRIEVANCE - POLICE SERVICE, OFFICERS KILLED ON DUTY, FINANCIAL COVER

MR SHAVE (Melville - Parliamentary Secretary) [4.45 pm]: My grievance is also to the Minister for Police. It is on behalf of members of the Western Australia Police Force. In particular, my grievance is related to issues and circumstances that occur when a police officer is killed on duty. Although it should not be relevant, I refer specifically to officers who are killed on duty who have family members who are reliant on them for financial support. I particularly refer the Minister to the case of a female officer by the name of Jane Kennaugh who was killed very recently in a traffic accident. Mrs Kennaugh was the mother of two preschool aged children. As a result of her death her spouse faced considerable expense for funeral and associated costs, mortgages and general living expenses, and the family was under severe financial difficulty.

At that time Mrs Kennaugh's widower approached the Police Union (WA). My understanding of the situation is that the Police Union made a loan of $10 000 to cover various funeral expenses and ongoing financial support for the children. Provisions of the Workers' Compensation and Rehabilitation Act for employees employed by the Government of Western Australia and other similar policies allow for a payment to be made in these circumstances. I also understand that payment is limited to a sum of $4 000. Sadly, for those people whose relatives have died in tragic and other circumstances very often the funeral expenses come to well in excess of $4 000. Worse than that is the fact that the family of the person who has passed away, been killed tragically in an accident or been involved in trying to apprehend a criminal must wait until the original birth and death certificates are cited. We have the situation where the family is going through a great deal of grief and they do not have the financial capacity to meet the expenses that they are incurring.

I would like the Minister to look at two issues. I understand that the Police Union is writing to the Minister on this issue, and I urge the Minister to fully support its request that the Government support these people at the time the tragedy occurs. If some tragedy happens to a police officer it is on the front page of the newspaper. We have a lovely funeral where people are respectful of what that person has done for the State of Western Australia, and I fully support that. Members should not misinterpret what I am saying: No funeral is fine; it is very sad. However, we show respect physically by the Minister and dignitaries attending the funeral, and everyone is sympathetic to the people affected. The only problem is that the people who are grieving at the time, who invariably are the spouse and the children, are not in a financial position to meet their responsibilities. A provision in our legislation or rules should ensure that those people have immediate access to sufficient funds to meet those expenses.

The Police Union believes those expenses should be met by the State of Western Australia; they should not come out of any entitlement that a person may have under a superannuation fund. Quite frankly, the least the State of Western Australia should do is to provide full and immediate cover for all of those expenses. When a tragedy like this occurs, someone from the Government should immediately contact the spouse or close relatives, either through the union or directly, and assure them that their position will be fully protected and that, although they can never recover from the loss of their loved one, the State of Western Australia will meet those expenses.

Two issues are involved: The first is that if $4 000 is provided under the present legislation, the Minister for Police should discuss this matter urgently with the Minister for Labour Relations, if it comes under his control, and ensure that ceiling is increased. In my view there should not be a ceiling for funeral expenses; we should make a commitment to pay the cost, whatever it is. That is the least we can do for people who have given up their life while trying to protect an often violent society.

On receipt of the letter from the Police Union, I urge the Minister for Police to give it the consideration it deserves and to treat the matter as an urgent issue. We publicly show our concern for these people; we attend the funerals and we show our respect, but very often when these tragedies occur, money is very important and the need is immediate. I ask the Minister to look into this matter and support the Police Union and the Police Force for the wonderful job they do in Western Australia.

MR WIESE (Wagin - Minister for Police) [4.52 pm]: I thank the member for bringing this grievance to my attention. It is unfortunate that he did not make the personal circumstances in this matter available because I would

have been able to respond in far more detail. The total concept is accepted. The member for Melville and the House need to be made aware of the present situation. If police officers are killed on duty, under the workers' compensation cover the Police Service has with State Government Insurance Commission, there is an entitlement of $103 717 if they have a dependent spouse. There is also an entitlement of $29.60 for each dependent child up to an age of 16 years. The cover for a police officer is exactly the same as for any other worker in the community who is killed at work.

We also need to put alongside those amounts - it is not applicable in this case - the fact that the other person who was injured in that tragic accident is entitled to a sickness benefit which goes far beyond anything that is payable to anybody else in the workplace. It is about 160 days' sick pay, and the Commissioner of Police has the ability to extend that amount if he believes it is warranted in the circumstances. We are all well aware of many circumstances where officers have been on sick pay for more than three or four years. In some of those cases their circumstances are nowhere near comparable to those in this case. Very good cover is given.

Mr Shave: Is there a limit on funeral expenses?

Mr WIESE: As I understand it from the advice I have received, the workers' compensation limit is $3 800, although my previous experience indicates the figure is $4 000. However, the amount is set out under the Workers' Compensation and Rehabilitation Act. I share the concerns of the member in this matter. All members will be aware that three tragedies have been associated with our volunteer firefighting organisations. I am aware of one of those cases where the funeral expenses went way beyond the $3 000 or $4 000 that is provided by workers' compensation. That area of workers' compensation should be looked at. I do not care whether a government employee or anybody else in the work force is involved; workers' compensation cover should take care of the funeral.

I will briefly talk about the other covers that are available. If a police officer is a member of the union, it is my understanding that he is entitled to $50 000 upon death and $2 750 to meet funeral costs. The department tops up the remainder of the funeral costs and meets all of the costs of the ceremonial aspects. The department is then able to claim a reimbursement from the SGIC. As I said, had I been given the details, I could have followed up this matter. That is the general range of cover that is available to a police officer. I am aware of the letter from the union. It has got through to my office and it is now being followed up, and discussions will take place on the issues raised in it.

Mr Shave: I raise the issue of immediate access to finance for someone in this position, which very often is what is needed if someone dies in a car accident or is shot in a robbery. The funds made available by the Government should come forward very quickly rather than after death certificates are approved. That does not help when the people are going out to make the arrangements and are in a state of confusion.

Mr WIESE: I understand that. That matter is raised in the union letter, as I understand it. I will certainly follow through with that issue. I understood that sort of help was available. When I follow this matter through, if I find that is not the case, I will endeavour to make sure we are in a position to provide that assistance. However, the people in the welfare section of the Police Service do a terrific job in looking after spouses or relatives in these circumstances. I have seen them in action two or three times. The way the Police Service rallies around to help people in these circumstances makes me realise just how close an organisation the Police Service is. The way they look after each other is impressive, beyond anything I have seen in any other organisation. To some degree that is a reflection of the nature of the job.

I will deal superficially with the superannuation aspect. Superannuation is available to police officers provided they take it out; the unfortunate thing is that not all police officers take out superannuation. Police officers are eligible immediately for payments they would have received up to the age of 60 years. Those payouts are very substantial. Steps are taken immediately to make available the superannuation payments and all of the back wages, holiday pay and sick pay as soon as the incident occurs. I have signed for those payments the day after the accidents have occurred. We endeavour to do everything we can to ensure that these people are properly looked after.

GRIEVANCE - NORTH FREMANTLE LOTS 437 AND 439, LEASES

MRS ROBERTS (Glendalough) [4.59 pm]: My grievance relates to North Fremantle lots 437 and 439 which are on the foreshore in the vicinity of a development appeal which has just been upheld by the Minister for Planning for Searsport Pty Ltd, the directors of which are Peter and Ian Laurance. One might ask why my grievance is to the Minister for Lands and not to the Minister for Planning? It is not because I do not have a grievance with the Minister for Planning; it is just that he has already determined the appeal with regard to his role in this matter, and it is not worthwhile my grieving about a matter which he has already determined, I believe quite incorrectly and improperly.

Lots 437 and 439 are between that development and the foreshore. The Minister for Lands is responsible for not just those two leases but the vesting of those leases, which we hope he will vest with the City of Fremantle in the

immediate future. The first question that I raise with the Minister for Lands is the validity of those leases. This question has been raised with him previously by both the City of Fremantle and the North Fremantle Community Association. In fact, the North Fremantle Community Association pointed out in a letter to the Minister for Lands dated 5 August 1996 that -

> It is over two years since the lessee ceased activity on the site and since then no action has been taken about the lack of continuous use.

The activities for which the leases were issued were restaurant and maritime industry. The letter points out that that is a nonsense. No restaurant has been operated on that site for over two years - the fact that somebody may do a few books in what was a restaurant is, in my view and also in the view of the North Fremantle Community Association, neither here nor there; and all that seems to occur with regard to a maritime use of any description is a bit of tinkering with some boat parts in a shed. I would like to know whether the Minister for Lands has sought Crown Law or any other legal advice about the validity of those leases. The community association believes the normal procedure in these circumstances would be to forfeit those foreshore leases to the Crown and to vest the foreshore reserve in the local authority for public use.

The North Fremantle Community Association has requested an urgent meeting with the Minister to discuss its concerns. It has not yet received a response. I understand that someone else associated with the association has approached the member for Cottesloe's office in the vain hope that perhaps he will organise a joint meeting between himself and the Minister for Lands on this issue. There has been no response and certainly no meeting with these people, who are very concerned. They are a very active group and take a great degree of pride in the foreshore at North Fremantle.

Mr C.J. Barnett: May I interject?

Mrs ROBERTS: Not in a seven minute speech.

Mr C.J. Barnett: You just implied that I do not meet that group, and I do regularly.

Mrs ROBERTS: The criticism is that the Leader of the House has not been able to get the Minister for Lands to meet them.

On 17 September, the Minister for Lands wrote to the City of Fremantle about these two lots. The most alarming part of his letter states -

> However I am sympathetic to the concerns of the lessee who is seeking to ensure that any works undertaken now or in the future on the foreshore do not detract from, but complement the development proposed on the adjoining freehold land.

Has it been determined whether the leases have expired; if they have expired, why were they not forfeited? Secondly, why should the Minister be so sympathetic to those concerns when the community group and the council have been working on this area since the 1980s, have won Landcare awards, have had professional landscape architects draw up plans with community consultation, and are interested in planting native plants and the like? The developer may want to plant some other kinds of plants in that area, but why should he have his way? Why do we have this kind of standover tactic where the Minister says that while he does not want to give the developer the land freehold, he is sympathetic to the lessee's concerns? In my view, those concerns are not justified. In addition, all heed seems to have been taken of the developer and no heed has been taken of the council. I do not want to see a repeat of the high-handed approach that the Minister for Planning adopted when he made the outrageous remarks in his justification for upholding the planning appeal that the council was being obstructive and the like.

It is improper to hold up this matter just because the developer has some concerns. The community has concerns that the developer's plans give the impression that the area between the development and the river will not be preserved as public open space. This land should be vested in the City of Fremantle as public open space. The City of Fremantle has taken a highly responsible attitude to this foreshore land, in consultation with the North Fremantle Community Association, which has been extremely active in this area.

I call on the Minister for Lands to do the right thing and immediately vest this property in the City of Fremantle, and not be complicit in the standover tactics that are used by the Minister for Planning. The planning approval states that in the event of any disagreement about the nature and effect of such conditions, the matter must be referred back to the Minister for Planning as arbiter. It is improper for the Minister to put that in his conditions.

MR KIERATH (Riverton - Minister for Lands) [5.06 pm]: The lessee did come to see me and ask for some assistance. I was a bit cautious, and I asked him to explain his dilemma. He said that his dilemma was that he wanted to develop a combination of leasehold and freehold land. The key to that development was to have public access

along the foreshore, which I understand has been the goal of many people, among them the developer, the City of Fremantle, and the North Fremantle Community Association. Despite those goals, the current lessee also owns freehold land right down to the waterline and leases on either side of that area, so no member of the public would have the right to access that area.

Mr C.J. Barnett: The only reason people can walk around it now is that the original development had a boardwalk around it.

Mr KIERATH: Exactly. When he asked for my assistance, I had a look at it and thought, "People have got the same intentions or goals; surely in the end commonsense should prevail." I queried his reluctance and his suspicion of the City of Fremantle, and he said it would be a sizeable development, and obviously the outlook between the development and the river would be crucial; he did not want toilet blocks and other horrible things to be stuck in front of it.

Mrs Roberts: That is a nonsense. There is no plan for a toilet block or anything of that kind.

Mr KIERATH: He said he could proceed with the development, and later on the council, if it had it in for him, could build something there that would devalue the whole area. I told him that I agreed with the principle of having public access along the foreshore, and I acknowledged that nothing could be done while he had that freehold, but that if there was any way of assisting him, the City of Fremantle and others, I would do so. I had to wait until the appeal about the number of units had been dealt with by the Minister for Planning. Now that the appeal has been concluded, I have put a proposal to Mr Laurance that we put together a management plan, and all the parties - the City of Fremantle, the developer, the public and the Government, and also the Swan River Trust - should tick that off and say it is appropriate. Once the conditions are set they will not be changed unless all those same parties agree. That protects all the interests. More importantly, the plan provides public access along the foreshore, which we have been trying to provide for a long time. That is what I have been doing. Once the Minister concerned finished with the appeal and we knew exactly what we were dealing with, negotiations were underway between my department and the City of Fremantle. The validity of the lease is a little different. The department has not been moving to cancel the leases while the proposals for redevelopment were put in. The proponent said that if he did not proceed with his proposals, he would go back to operating a full scale restaurant on the site. He maintains that he has been abiding by the conditions of his lease. If action was taken to bring those leases to an end -

Mr Lewis interjected.

Mr KIERATH: That is another issue which should be clarified by the proper authority. I am trying to broker a deal between the various interests. In my dealings with Mr Laurance so far he has been extremely cooperative and not obstructive to the requests and requirements I have asked of him. If we can gain approval from the city council we can have the leases ceded back to it on the old Pier 21 site, where we have a reserve for public access. The developer has agreed with the plan I have put forward. I am awaiting the final details from the City of Fremantle in order to complete negotiations. Then I think we will have what the whole of the public of Western Australia wants.

Mrs Roberts: Will you table the plan that you put forward to him?

Mr KIERATH: When negotiations are completed, I am more than happy to make available the details of the plan. At this stage I want Fremantle City Council and the developer to agree on a management plan. In addition there are other agencies such as Swan River Trust and the Water and Rivers Commission, and a whole range of people with interests. If I can get all those groups to agree on a management plan, we will finally have resolved this long running saga. Everybody in the community would think that a great improvement. I am rather optimistic that we might resolve it, but it depends on the goodwill and the agreement of the developer and Fremantle City Council. From the proposals and general discussions that I have had, I think most of the other approvals would be forthcoming. It is the right sort of proposal for that area. However, I have to await the input of the Fremantle City Council. That is progressing along its normal course.

GRIEVANCE - GREENLINE GARDEN CENTRE, BUNBURY; WESTRAIL PROPERTY DEVELOPMENT

MR OSBORNE (Bunbury) [5.13 pm]: I direct my grievance to the Minister representing the Minister for Transport. It concerns an issue which has been brought to my attention by the proprietors of a nursery business in Bunbury, the Greenline Garden Centre. To give some background, in the late 1980s most members will be aware that the *Australind* passenger rail terminal was relocated from the centre of Bunbury to a suburb called Wallaston in order to free up the centre of Bunbury for the development which has become known as the Bunbury Harbour City development. We now have public open spaces, such as Bicentennial Square, and significant public buildings like the Bunbury Entertainment Centre, on the location of the former railway station as a result of the decision to relocate the rail terminal. In addition to the revitalisation of the centre of Bunbury, we have also seen a redevelopment of

Blair Street, one of the principal entrances to the city of Bunbury. In the area between Stirling Street and Ward Street we now have a four lane highway with service roads and the redevelopment of major intersections. The whole aspect of that entrance to the city has been dramatically improved. That has also led to the development of a significant commercial centre called the Home Makers' Centre, which not only provides many more retail opportunities for visitors and residents of the city, but also dramatically improves the appearance of the entrance to the city of Bunbury. That is one of our achievements in the last three years with which I am very satisfied, because in the previous decade a series of attempts were made to make the land over to the City of Bunbury. We were able to do that. It is a significant grant of land to the City of Bunbury, which has led to a dramatic improvement in the appearance and effectiveness of that part of the city.

As well as the Blair Street improvement and the development of the centre of town, as a result of the Railway Discontinuance Bill which has just come into this House from the other place, we are talking about bringing the *Australind* passenger terminal back to the centre of town. It may sound a little strange to take it out of the centre of town and then some years later bring it back. In retrospect that has been the only way in which we could have arrived at what will be a terrific outcome for the whole city. The *Australind* rail terminal will return to an area at the entrance to the town at the Clifton Street roundabout where the current silos are situated. We are looking to the development of a tourist centre with possibly taxis and coaches and a whole new entrance to the city of Bunbury in the area of the Clifton Street roundabout. This all has to do with the original decision to relocate the central passenger terminal at Wallaston and then subsequently to bring it back into the town. I make those comments by way of introduction because it is all extremely positive and goes back over many years. We are now looking towards a city which could fairly be described as one of our growing attractions in the south west.

However, in that whole picture of positives there is at least one minor negative which has been bought to my attention, which is the impact these changes will have on the Greenline Garden Centre. In the area of Westrail land which will be made surplus as a result of the closure of the railway, Westrail is considering the creation of a commercial subdivision. In the last four years, the Greenline Garden Centre has developed its entire operation so that it is visible from Blair Street across what will be former railway land at the back of the business. The business is accessed from Albert Road and Armitage Street, but the proprietors have taken advantage of their location and its visibility from Blair Street and have positioned the whole business, signage and advertising so that it is visible from Blair Street. During the last couple of years as well as developing the business themselves, they have spoken to the Bunbury City Council about the intervening railway land and have spent several thousand dollars of their money reticulating and landscaping it so that it gives the strong impression of being part of the garden centre as well as enhancing the amenity.

Westrail has a duty, which I and most people in this place recognise, to behave in a responsible way and be as commercially successful as it possibly can. All members on this side at least applaud the Government's achievement in making Westrail return a profit for the first time in 117 years. If Westrail is to pursue the commercial subdivision and do the right thing with regard to its resources and charter, one of the unintended consequences could be to damage or possibly destroy this small business, which relies on its exposure to Blair Street for a large part of its retail trade. Although from one aspect of government it is obviously beneficial for Westrail to operate successfully and commercially, there is no net benefit to Western Australia as a whole if, during the course of operating successfully, it damages a small business or possibly puts it out of operation and out of the economy.

I ask the Minister to have another look at the commercial subdivision. Lot 1 would obscure the business's exposure to Blair Street. Is it possible for the size or shape of lot 1 to be reduced or altered in some way so that the business's exposure to Blair Street is retained? It may be possible even to remove lot 1 entirely from the subdivision, although I do not think that would be necessary. It is obviously a very valuable piece of land, which would attract an intense use. A buyer of that block would obviously want to make as much use of it as possible, and I understand that. However, if we were able to make an alteration to the foot print of the piece of land, it would be possible for a business to operate from there and yet at the same time allow the Greenline Garden Centre to continue with its valuable exposure to Blair Street.

MR LEWIS (Applecross - Minister for Planning) [5.20 pm]: I have considered the difficulty the Greenline Garden Centre will experience with the development of, I think, future lot 1 that fronts on to Blair Street. The commercial reality of the situation is that it will be difficult for the garden centre. Notwithstanding that, we must also appreciate - the member for Bunbury made this observation - that Westrail must show accountability and have responsibility for conducting its business in accordance with normal commercial practice.

As the member for Bunbury said, the garden centre has established itself without access to Blair Street but on a parcel of land that, by its nature, has the advantage of good exposure from the main road, which is Blair Street further to the west. It is true that the proprietor of the garden centre has reticulated and tidied up the corner. That was commercially advantageous to the garden centre because it displayed the type of establishment and provided ready

exposure. It cannot be denied that exposure to the garden centre to traffic moving north along Blair Street will be inhibited by about 50 per cent, taking into account the cadastral boundaries of proposed lot 1 and a set-back that will no doubt be required by the local authority. However, I do not believe that much exposure will be lost to traffic travelling south down Blair Street.

The garden centre is in a difficult position. It does not have direct access to Blair Street. A property between it and Blair Street is owned by Westrail. There is no commercial reason why Westrail should be denied the opportunity of developing its property. If it were not owned by Westrail but by a private person, would it be reasonable for the garden centre to limit the development on lot 1 on the basis that it would cause loss of exposure to the garden centre? A fair appraisal would be that it would be unreasonable to put an impediment on the land owned by Westrail, or if it were owned by a private developer, to protect the exposure of a property that did not have the true frontage to the main road.

I readily acknowledge that the garden centre will be disappointed. It has enjoyed an advantageous situation over the past few years. I accept that the development will limit its exposure, but on the other side, Westrail must operate commercially. It must be accountable to this Parliament and the public and in that regard it has no alternative but to develop that property.

I am more than happy to take this grievance to the Minister for Transport, who has responsibility for Westrail, and suggest that with a little bit of consideration restriction of the centre's exposure could be limited, or maximum advantage could be given to the garden centre if the property is developed with consideration for the problem. In balance, that is about all that is possible.

The ACTING SPEAKER (Mr Johnson): Grievances noted.

COMMERCIAL TENANCY (RETAIL SHOPS) AGREEMENTS AMENDMENT BILL

Second Reading

MR CATANIA (Balcatta) [5.26 pm]: I move -

That the Bill be now read a second time.

This is the second time in two years that these amendments to the Bill have been presented to this House. They have even more relevance today than when they were presented by Hon Gordon Hill in late 1993. I have taken the liberty of quoting extensively from the then Minister's second reading speech as he had meticulously studied the proposed amendments both as a Minister and in Opposition as the shadow Minister for Small Business.

In Western Australia we have what can be described as a polarised retailing environment which is much more pronounced than in any other part of the world. Prior to the 1960s retailing in Australia was disbursed into strip shops on prominent roads, city shopping, including arcades of shops, corner stores, showrooms and small shopping centres. In most other parts of the world such retail outlets are still prominent, although there is increasingly a mixture of major shopping centre developments with the traditional type of retail outlet. Many of the small retailers have been forced out of the industry because of, inter alia, their inability to adapt to cost control management requirements. These independent retailers have limited capital resources and are unable to achieve the economies of scale of the bigger retail outlets.

The competition for the small retailer has become much tougher in the past 30 years with the proliferation of shopping centre developments. These centres have proved popular with consumers. Demand for retail space was initially high, with landlords responding by devising methods of achieving the maximum yield on their investments. Lease documents became complex and sophisticated. Some clauses appeared in leases that were, or were perceived to be, disadvantageous to tenants. Complaints about leases were, and are still, numerous, as in the early 1980s before legislation was introduced by the Labor Government in 1985. The situation has become intolerable and has affected the viability of many retailers. It is not an area where self-regulation is able to deliver an equitable solution. However, the lack of proper legislation in the commercial tenancy area delivers to the wealthy a privileged position strengthened by the employment of aggressive and innovative solicitors.

Amendments to the original Bill were assented to on 30 November 1990. The amendments further improved the effectiveness of the Act. It is the view of those tenants and landlords who were in operation in this area prior to the introduction of the 1985 Act, that the Act has proved its effectiveness overall and particularly so in the following areas -

(1) Greater awareness of retail premises lease provisions at the disclosure stage, which have been increased significantly as a result of the November 1990 amendments.

(2) The requirement of the tenant to agree in writing to percentage rent clauses which involve disclosing sales figures. Although disclosure of figures is generally opposed by most retailers, they have to apply them only if they are used in association with rent based on turnover.

(3) Key money and goodwill, especially at the assignment stage, have been virtually eliminated.

(4) Assignment, particularly given the November 1990 amendments, is fairer than before the Act in 1985.

(5) A just rent disputation procedure has been provided under sections 11(3) and 11(5) of the Act. This provision is available to all tenancies under the Act.

(6) The issue of variable outgoings has been clarified by the Act and, if followed closely, works reasonably well. However, there is scope for significant improvement in this section.

(7) The right to at least five years' tenancy for a new lease is a vital part of the legislation.

(8) The provision of compensation for tenants whose trade has been hindered through landlord related actions in shopping centres has had a salutary effect as well as some successful claims.

(9) The low cost dispute resolution process of using the registrar to mediate. The Commercial Tribunal is, after a slow start, developing into a worthwhile process.

(10) These factors have improved the retail leasing situation compared to pre-September 1985 and have gone some way towards addressing the imbalance, inequity and unfairness of some lease negotiations. At the very least, there has been a substantial improvement in the awareness of retail leasing implications on behalf of tenants and landlords alike.

It is the view of the Labor Party in Western Australia that there is overwhelming support for legislative control of the retail leasing area. This view is supported by the many submissions to, and meetings with, the industry consultation group which was involved in the review of the Act since 1985.

The small business groups, the Retailers Association, the WA Council of Retailers Associations and many others have all agreed to the changes and, ultimately, their effects. Opposition has been expressed by the Building Owners and Managers Association, which originally sought a voluntary code of practice and has now ensured that the Court Government does not introduce changes to the Act prior to the next election.

Although the Opposition recognises the importance of a legislative solution to the problems associated with retail leasing, there is still a need to raise the level of awareness among tenants and landlord-agents. This role had previously been admirably carried out by the Small Business Development Corporation. However, this Government has taken the responsibility away from the SBDC. The result is that it has buried the legislation in the Ministry of Fair Trading with 125 other Acts the ministry administers. I believe the Ministry of Fair Trading has developed a different culture under the present Government and encourages industry self-regulation rather than enforcing regulation. Notwithstanding the success of the Act to date, concern remains about certain aspects of its effectiveness and the effectiveness of the Commercial Tribunal as a dispute resolution mechanism.

At this point I will provide an example of the type of behaviour that is occurring, but of greater concern is the fact that this Government is condoning this sort of behaviour. In a promise made to small businesses and retailers before the last election, the Government said -

> The Coalition Government will support changes to the Commercial Tenancy (Retail Shops) Agreements Act to provide a more secure environment for traders.

I am sure that the many traders who have suffered from that Act not being changed would disagree strongly with that statement.

I will give the House an example of a particularly disturbing incident associated with a shopping centre south of Perth - the Farrington Fayre Shopping Centre. The matter is before the Commercial Tribunal. The stakeholders in this matter include the landlords-owners C.G. Berbates Holding Pty Ltd, GPA Pty Ltd, George Polassis Atzemis and P. and G. Investments Pty Ltd; and the managing agent, Raine and Horne International, which has changed its trading name to Pacific First National. The applicants to the Commercial Tribunal include John Hender Real Estate Pty Ltd, a long term tenant of Farrington Fayre, representing the class action and which was included in this application to ensure that discovery of documents could be effected; Donna Clark, owner of Gifts r Us, a tenant who will test whether "unconscionable conduct has occurred"; and Phil Hawkins of Carobast Pty Ltd, trading as the Leeming Liquor Store, who will test the legality of paying key money - he paid $370 000 for the privilege of having the liquor store site.

The case has received media coverage and has been championed by Ms Clark and supported by Mr Hawkins. Both Ms Clark and Mr Hawkins will suffer to the point of financial ruin. Their families and private lives have also been very much adversely affected. I will not reveal as a mark of respect for Ms Clark and Mr Hawkins the extent of their losses; suffice to say they will stand to lose their life's earnings. Notwithstanding these possible losses, they have continued their fight to ensure that other tenants do not suffer the same fate. I hope sincerely that this courage and display of community responsibility will be somehow rewarded.

In brief, the case, which is a complicated one, relates to a sinking fund which involves the tenants being charged $6 000 a year even though there is a $35 000 residue in the account. The account has never been audited and is in breach of section 12(1)(a) of the Act. The amount paid as land tax is an overcharge to the tenants because the owners of the shopping centre attract a multiple ownership rate. The lease states that they should be charged on a single ownership basis. This has resulted in each tenant paying hundreds of dollars more than their liability throughout the lease.

Under variable outgoings the tenants have been charged for -

(1) Repairs and maintenance of the leased premises not associated with the centre.

(2) Expenses incurred by the landlord and agent which have been passed on to the lease through variable outgoings as well as items not related to the owners of the centre.

(3) Lawn mowing and reticulation costs, which are not in the lease agreement.

(4) Superannuation of employees and owners.

(5) Mobile phones used by owners or agent.

(6) Workers' compensation.

(7) Wages item that was never used.

(8) Cost of registration of business name of owners.

(9) Items of capital cost.

(10) Accounts not relevant or related to the centre, and in fact related to another property - Esanda House. These include accounts for: Western Power, photocopying, telephone charges, telephone systems, survey reports, Easter show card, Esanda House toner, confectionery, chrome stands and petrol accounts. These charges have been debited to the tenants of Farrington Fayre and they do not relate to it as a leased property.

(11) Advertising budget. From a budget of $10 000 each year the following amounts have been spent: $7 000 in 1990-91; $4 000 in 1991-92; $5 000 in 1992-93; and $1 300 in 1993-94.

(12) Promotions that never occurred.

The tenants have been blatantly robbed. They have been treated callously and without any regard for their plight and welfare. They have been threatened with eviction and legal proceedings and have been subject to what I believe is extortion. This sort of behaviour must be stopped. It should attract criminal sanctions. This sort of behaviour has been condoned by the Minister for Fair Trading, who encourages it by not agreeing to amendments proposed by the Opposition to the principal Act. This has happened on two occasions. The Minister also encourages this behaviour by not ensuring that the Commercial Tribunal has the power to insist that such actions are not delayed by owners, their agents or their high powered solicitors. The Farrington Fayre saga has been postponed and delayed by the owners and agents for the past 12 months, and this has resulted in a slow, certain, commercial death for a number of applicants. I believe the respondents have now made an offer of settlement to the applicants, which will still leave Donna Clark and Phil Hawkins permanently scarred and in financial ruin.

The amendments proposed in this Bill address these and other problems that have been identified by many agencies, including the Small Business Development Corporation, tenants and landlords. Other problems were identified by the Small Business Development Corporation, tenants, landlords and other interested parties through the consultative process during the review of the Act by the previous Government. The Bill amends the Act to clarify the interpretation of a retail shopping centre. It will ensure that no-one gets the impression that five or more shops with the same lessor, but located apart geographically, can form a shopping centre. For example, a landlord with two shops in each of Kalgoorlie, Fremantle and Albany could not form a shopping centre. The changes will clarify potential confusion in this area, ensuring that it will apply only to contiguous buildings, by deleting the reference to "collection" and inserting the word "cluster".

The Bill deals with the cost of leases. It has always been my view, and that of the Labor Party in Western Australia, that fair and reasonable costs associated with the preparation of any lease, assignment or sublease should be equally apportioned between the landlord and the tenant. The Bill addresses that issue.

With regard to market rent, all sections of the industry in one way or another want parts of section 11 of the principal Act clarified or changed. As stated earlier, a major concern of the State Opposition is that market rent does not reflect commercial reality and, therefore, it cannot properly be deemed to be market rent. Most leases with market rent state that the rent cannot be reduced; in the current climate this is unfair and leads to harsh and unconscionable leases. These amendments to the Act provide for only one basis or formula for rent review, thereby stopping the existing and common practice when reviewing rents that the increase in rent is the greater of either the consumer price index or market rent movements, or 10 per cent. The amendments contained in this Bill provide for the market rent to apply in cases where provision is made in a retail shop lease for a rent review during the currency of the lease.

A most contentious and difficult area with which to deal is variable outgoings. The definition of "variable outgoings", as generally determined by landlords and lawyers, has changed over the years. Generally speaking, in the past the variable overheads were confined to expenditure that had a direct relationship to generating retail sales in shopping complexes, the main exception being a sinking fund in the order of 5 per cent and reasonable provision for depreciation of the lessor's plant, such as airconditioning. Quite often today the schedule of variable overheads is too complex to be included in the body of the lease, and it is now a separate schedule attached to the lease. These schedules are typically broken into two segments, known as the centre outgoings and specialty shop outgoings, but together they comprise the total variable overheads which retailers are expected to pay. An examination of the schedules reveals that the most significant impact has been to place a greater fiscal responsibility on the tenant for the landlord's property and capital assets, together with the original responsibility for items of expenditure directly related to the generation of the retailers' income.

It must be recognised by all involved in the industry that the winds of change are upon the methods of retailing in Australia. Retailers are increasingly facing competition from a new breed of direct marketeers, who engage in almost private conversations with consumers. This new breed of retailer does not carry variable overheads, such as sinking funds, property maintenance, music systems, management fees and the numerous other burgeoning cost structures with which the struggling shopping centre retailer must attempt to cope. To exist in the 1990s and beyond, retailers, owners and managers will be forced to examine closely their competitive cost structures, particularly their variable overheads. It has been suggested that the average retailer in a shopping centre in Western Australia can take 30 per cent off his or her costs by simply excluding sinking funds, land tax and management fees. Thus, competition more than any other single factor will cause variable overheads to become the major issue for retailers, owners, managers and Governments in the area of commercial tenancy in the 1990s. This Bill significantly redrafts section 12 of the principal Act in relation to the contribution to landlords' expenses.

I now turn to land tax. Most lessors include land tax as an expense to be paid by the lessee under a lease agreement. Lessees argue that the tax is an ownership expense rather than an operational one. Land tax applies under the Act in the section relating to contribution to landlords' expenses. Section 12(1) restricts the contribution to "all or any of the expenses of the landlord in operating, repairing or maintaining a building of which the retail shop subject of the lease forms a part". Therefore, land tax must be an operational expense; that is, a charge on the usage of the land. Land tax is historically viewed as an economic or resource rent. As land is a limited resource, its value is based on the demand for the land. The value of land is enhanced by the infrastructure around the land; namely, the power and water supplies, parks and gardens, police services, fire services, schools, hospitals, public transport and the like. This infrastructure in many ways can be seen as giving a value to unimproved land, which reflects the potential of that unimproved land. It is provided by the community as a whole, primarily through the use of taxes, and it is a benefit which accrues to the landowner. Therefore, it is widely accepted that the landowner should pay a premium for the benefits received from the infrastructure provided by the community. This premium is the system of land tax. The land tax premium is a charge on ownership of the land and not on usage.

Land tax is a tax on the right to own land and as such is treated as a first charge on the land itself. This indicates that the land tax is a premium payable by landowners on the unimproved value of the land they own. In other words, land tax is an asset tax which is payable irrespective of the actual usage of the land owned, if it involves any usage at all. Thus it is doubtful that land tax should be called an operational expense as distinct from an ownership expense. This matter should be clarified by amending the legislation rather than having the matter tested in the Commercial Tribunal or a court.

The Land Tax Assessment Act specifically denotes the owner of the land as being liable for the payment of land tax. This Act also has a definition of "owner" which effectively excludes the lessee of the retail shop from being deemed an owner. It is clear from this Act that the land tax premium payable is intended to be paid by the landowner and is unrelated to the occupancy or use of the land. Landlords under the Residential Tenancies Act cannot pass land tax

accounts to tenants for payment. Tenants contend that the payment of the land tax has some inequities and has potential to place unanticipated financial burdens on them. The main inequity raised by tenants relates to the fact that they are paying the landowner's premium; that is, a premium levied on the landowner for the provision of a social and economic infrastructure by the community.

The major financial burden confronted in this area is when a reassessment is undertaken of the land tax liability. This can, and frequently has, resulted in substantial increases in the amount of land tax to be paid. As land taxes are directly passed on to tenants by landlords, this increased burden is directly borne by the tenants. The Bill proposes that land tax be paid by the landlord; it will put the matter beyond doubt.

Sinking funds: Another matter which has been under the microscope in recent years is the maintenance of sinking funds by the landlord. In the earlier ministerial review of the Act - when the Labor Party was in government - shortcomings were found in sinking funds in retail leases. The payment into such funds was found to be unfair to certain tenants. For example, a tenant pays into a fund for a five-year term, during which time the landlord does not use the fund for any upgrading of the centre. The landlord then refuses to renew this tenant's lease, installs a new tenant with a similar business, and spends the sinking fund on significant refurbishments. The tenant has no say in the use of the fund and the funds are not usually audited or scrutinised by any qualified body.

Considerable doubt exists about how the fund should be distributed if the shopping centre is destroyed by fire and not rebuilt. Occasionally a serious depletion or cleaning out of the sinking fund has been undertaken by the landlord after the sale of a shopping centre. For these and other reasons, the issue of sinking funds was addressed by Parliament and the amendment of 30 November 1990, which was intended to outlaw the generally accepted use of sinking funds in retail leases. The amendment, however, was far from satisfactory and caused considerable confusion, especially with tenants. Tenants were understandably led to believe that sinking funds were prohibited in leases entered into after 30 November 1990. Consequently, they are mystified to find leases containing sinking funds for repairs and maintenance of a special nature as described in the lease.

Management Fees: The Bill also seeks to clarify the responsibilities for the payment of management fees. Many tenants cannot see value for money in the landlord's appointing a managing agent of their leased premises. As an indication, they questioned the size of the management fee; the conflict of interest where the tenants pay the fee but have no say in the management selection or policies; the charging of tenants for incidentals, which some tenants perceive to be part of the management costs; and the lack of training and qualifications of the shopping centre manager, given that no formal training is generally required.

The Opposition believes it would be much fairer and more equitable and there would be far less dissension and animosity in the industry if the landlords remunerated their agents directly. Generally speaking, management fees are seen by tenants as being an additional payment for rent. Most management fees are between 20 and 30 per cent of the shopping centre's variable outgoings and generally run into hundreds of thousands of dollars.

Audit Provisions: It is generally agreed that the audit provisions of the Act are not working well and that the legislation is not clear on the responsibilities of the auditor and penalties applicable to the failure of the landlord to commission an audit. This Bill amends the Act to provide -

a definition of the auditor;

the duties of the auditor for a complete audit;

a penalty, should the landlord refuse to supply the audit;

that if auditors find the practice of the landlord-managing agent in respect of any obligations under this section of the Act to be dishonest, to be not complying with the Act by not keeping proper records and so on, apart from reporting to the tenant they shall report also to the Real Estate and Business Agents Supervisory Board if an estate agent is involved; and

for the audit fees to be shared by both the landlord and the tenant.

The Bill allows tenants, after applying to the landlord in writing, to seek any information on the items of expense referred to in section 12 of the principal Act. The Bill also deals with a system of arbitration should the landlord consider such requests to be improper, vexatious or frivolous.

The Bill amends the principal Act by providing for a substantial general penalty if the provisions of the Act as amended are not complied with. Given that some landlords, owners and managers have either ignored the provisions of the principal Act or have circumvented those provisions by devious means, substantial penalties are appropriate. Further, one must consider the effect of past breaches of the Act - which are numerous - the circumvention of the intent of Parliament, and the implications of such breaches of the Act on small retailers in the context of the overall

budgets of the owners and managers of shopping centres in determining an appropriate penalty. The Bill therefore provides for a penalty not exceeding $50 000.

As was the case in drafting the original legislation for its enactment in 1985, the Opposition believes it is appropriate for the matter to be reviewed periodically and has provided for a review as soon as practicable five years after these amendments come into operation.

Trading Hours: Other changes are required, particularly the one promised by the Attorney General when, as Minister for Fair Trading, he stated when partially deregulating trading hours that he would amend the trading hours regulations to ensure tenants were not forced to open premises when landlords demanded in shopping centres. Clearer definitions of lettable floor area and common areas are desperately needed as tenants are often at the mercy of owners-agents and are being charged for floor space they do not occupy, adding substantially to their costs.

In conclusion, the support of the Government for this Bill is important as the Small Business Development Corporation advised me that it has received 3 000 inquiries relating to commercial tenancy from clients in business, 50 per cent of which relate to four items; namely, variable outgoings; rent reviews; problems with agents; and disclosure statements. These matters are dealt with in the Bill. The inquiries also related to redevelopment clauses; options and rights of renewal; rights and duties as to repair, maintenance and structural alterations; termination of tenancies; queries as to the Commercial Tribunal and its powers; assignment of lease; sinking funds; insurance; payments under lease - that is, key money - legal costs; and other establishment costs.

The amendments are vital, urgent and may make the difference between bankruptcy and survival for small business and especially retailers. I urge members' support. I commend the Bill to the House.

Debate adjourned, on motion by Mr Tubby (Parliamentary Secretary).

Sitting suspended from 6.00 to 7.30 pm

MOTION - CONTRACTING OUT POLICY, CONDEMNATION

MR McGINTY (Fremantle - Leader of the Opposition) [7.30 pm]: On behalf of the member for Victoria Park, I move -

> That this House condemns the State Government for the continuation of its billion dollar policy of contracting out in that it is -
>
> (a) undermining our tradition of equal, accessible and quality public services;
>
> (b) placing the use of taxpayers' money outside the framework of democratic accountability;
>
> (c) reducing the wages and conditions of those delivering public sector services;
>
> (d) leading to a significant loss of public sector expertise; and
>
> (e) leading to major conflicts of interest in the administration of the State.

The research undertaken by the Opposition leads me to conclude that local businesses, particularly local small businesses, are the big losers as a result of out-sourcing conducted by this Government, particularly the mechanism known as facilities management arrangements. As best as I have been able to estimate - this has been made more difficult by the Minister's refusal to provide the relevant information - up to $1b in government contracts now rest with the private sector through facilities management contracts. It is a ball-park figure but I estimate that up to 1 000 jobs have been lost as a result of those arrangements. The job losses have come directly through the government sector - jobs previously done by government workers - and, once the contracts to provide facilities management arrangements have been entered into, a number of jobs have been exported from the State because firms with no base or a minimal base in Western Australia have obtained these significant government contracts.

Mr Cowan: I take it that you will provide some examples.

Mr McGINTY: The matter I wish to address tonight relates to the practice of the Government entering facilities management arrangements with large corporations. I am sure all members are aware that this form of outsourcing of government work, or work traditionally done in the public sector in various departments, has grouped together a range of functions that have been performed within a government department and handed to the private sector responsibility for calling tenders to provide services or goods or to do the work itself. One example is the Osborne Park Hospital - to choose one of many - where a joint venture between a multinational known as Serco Australia Pty Ltd and Gardner Merchant is responsible for providing catering, cleaning, gardening and the purchasing of supplies and services at the hospital. All those functions were previously provided by the employees of the hospital, directly to the hospital. I cite Osborne Park Hospital as an example of a facilities management contract which has seen the

responsibility for doing all that work, and the provision of purchasing and services, transferred to two multinational corporations. This raises a significant number of issues. The Government has not been responsible because it has failed to address these matters.

Earlier this week I wrote to the State Supply Commission requesting that it seek the approval of the Minister for Services to provide certain information, much of which has been placed on the public record, and all of which should be placed on the public record. My letter reads -

> I write to request details of aspects of facilities management arrangements in the WA public sector.
>
> I am seeking to collate material which should already be on the public record.
>
> Specifically, can you advise:
>
> 1) which companies have what can be described as "facilities management" contracts to provide services and/or purchasing for state government and which government agencies are each of those contracts for. Additionally, can you advise what companies have been awarded preferred tender status to provide facilities management . . .

The rest of the letter requested information regarding the cost to the Government of each contract, a brief description of the services to be provided and the duration of the contracts. I received a reply from the Minister for Works in which he referred to my letter but peremptorily dismissed my request by saying, in part -

> As you are aware, several Government Agencies have introduced "facilities management" type contracts. Even though the State Supply Commission may have played a role in the process, the information sought would be held by the respective agencies.

Mr Minson: What is wrong with that? It is true. If you want to know something about a government department you ask a Minister -

Mr McGINTY: The information is held by the Minister's department -

Mr Minson: That is not so. If you want to know something about what is happening in an agency, ask the Minister and he will provide the information. Had you asked me, as the Minister for Works, I would have answered the question.

Mr McGINTY: These contracts go through the State Planning Commission pursuant to its policy. It is currently worried about the extent of outsourcing. That is the reason the Minister is conducting a review. The Minister for Services has the information in his department. He could have provided the answer very quickly. He does not want that information to reach the public arena.

Mr Minson: Rubbish!

Mr McGINTY: The information is sitting in the department.

Mr Minson: I do not have it in my office.

Mr McGINTY: Of course the Minister has. This is information which, in a government-wide sense, is within the province and knowledge of the State Supply Commission. The Minister is responsible for government tendering, and the entire facilities management process. Contracts are entered through the Minister's department; therefore, his department has the information. It suited the Minister's political agenda not to be accountable and make the information available so that we could have a debate on the facts. The Minister knows that he has that information -

Mr Minson: I do not have it.

Mr McGINTY: The Minister has the information sitting in his department -

Mr Minson: I do not have the information.

Mr McGINTY: Put it this way: The Minister could have provided all the information without waiting for one minute.

Mr Minson: I will provide any information that you want, if I have it, but when dealing with devolved agencies you should ask the Minister.

Mr McGINTY: I am talking about the non-devolved departments where the bulk of information exists.

Mr Minson: I could get the information but not within that framework.

Mr McGINTY: My letter was specific about information held by the State Supply Commission, and the Minister could have provided that information.

Mr Minson interjected.

Mr McGINTY: That is exactly where it is. The Minister decided not to provide the information which was within his department.

Mr Minson: The State Supply Commission is a policy body.

Mr McGINTY: I will provide a description of some of the contracts of which I am aware, notwithstanding the attempt by the Minister to prevent the information being completely available and, therefore, his being fully accountable for it. The companies that have won facilities management contracts from this State Government generally have no connection with Perth or Western Australia. The company that has picked up most of the facilities management contracts is a British company known as Serco Australia Pty Ltd. A few years ago it had no presence in Western Australia. Today, from what I have been able to ascertain on this matter, it has one of the facilities management contracts for the Water Corporation, the Building Management Authority and Osborne Park Hospital. It is the preferred tenderer for Supply West, which supplies country schools and hospitals, but more generally schools and hospitals with their consumables, and also for the transport passenger information systems. Those are major contracts. It has been estimated by industry sources that Serco has a contract worth towards the figure of $250m a year. Unfortunately I cannot confirm that figure because the information has not been provided by the Minister.

The second company that is a beneficiary of the facilities management contracts is Transfield, which is based in Melbourne. It has facilities management contracts with the Building Management Authority, the Water Corporation and Westrail. The third company is Colliers Jardine (WA) Pty Ltd, a Hong Kong company. It has a facilities management contract with the Building Management Authority. The British company P & O, another multinational, has the facilities management contract for the Building Management Authority and certain services at Sir Charles Gairdner Hospital. Ferntree Computer Corporation Limited is an American multinational. It has a facilities management contract for the government information technology area. Fujitsu Australia Limited, a Japanese company, has picked up the State Government payroll contract. Gardner Merchant (Aust) Pty Ltd, a British multinational, has contracts for Royal Perth Hospital and Osborne Park Hospital. Nationwide, which is based in Melbourne, has a contract at Fremantle Hospital. Matrix, which I understand is a multinational company whose Australian headquarters are in Sydney, won the contract to purchase the government vehicle fleet, valued at $250m. PacStar Mobile, which is either a United States or New Zealand company, won the government telecommunications contract, which, according to newspaper reports, was valued at $250m.

Of the 11 companies I surveyed, the only Perth based company to win one of these facilities management contracts was Chieftain Securities Ltd. It has one of the five Building Management Authority contracts to manage and provide services and facilities for government buildings. With the exception of Chieftain, each of those companies does not have its head office in Perth and has not established a head office in Perth. Much of their work is now being done out of other capital cities in Australia, or perhaps overseas. The picture starts to emerge of government jobs in the provision of government services and facilities in Western Australia that were once done by the Government's employees, who purchased locally, obtained legal advice locally, used local accountants, and employed local people, now being taken over by companies that have little connection with Perth.

Many of the functions that once provided economic activity and jobs locally have moved interstate or overseas. This has given rise to a number of problems. The essential point is that local businesses are complaining. They feel that they have been shafted by this Government. They all held out great hope that they as Western Australian companies would be the beneficiaries of government policy that favoured outsourcing. They thought they would be able to pick up government contracts for work that was previously done by public sector workers. They are bitterly disappointed and angry. They have conveyed that anger to the Government. It is time this Parliament realised that in its push to contract out government functions, the Government has forgotten one thing; that is, the interests of the State and of Western Australians, including Western Australian companies, because it has not placed the work with Western Australian companies.

What is missing from the delivery of goods and services contracts is the Western Australian component. It is becoming increasingly obvious to a range of people in this State that the contracting out experiment that is being undertaken by this Government at a hectic pace is not to the benefit of Western Australians. Members have heard a lot recently about whether the benefits of the resources boom are finding their way down to improve the quality of the life of Western Australians. The great mineral wealth in this State and the incredible levels of investment in exploiting that wealth present Western Australia with a great opportunity. However, that opportunity is being squandered because it is rapidly being categorised, not as a resources boom or an economic boom for the whole State, but merely as an investment boom of which the only beneficiaries are the investors.

Yesterday's business pages in *The West Australian* contained a commentary saying that if ordinary Western Australians wanted to benefit from part of the boom, they should invest - buy shares in resources companies; that that was the only way they would benefit from the so-called resources boom. That is fine for those who are investors or for people who play the stock market or who have that wealth. My concern is that the resources boom will pass by the young people who are looking for jobs because the Government has done precious little to create those jobs and to create that training for Western Australians so that the benefits of that boom can improve the quality of life of all Western Australians. That is now recognised. The Premier's ill-fated description earlier this week of full employment as 6 per cent was a recognition that the unacceptably high level of unemployment in this State would remain stuck at that level between now and the turn of the century, notwithstanding the record levels of investment and the great wealth and opportunities the mineral resources represent for Western Australia.

A second but very much related area in which activity by this Government could provide an immediate benefit to Western Australia, given that the Government has embarked on its policy of outsourcing a range of government work, would be in ensuring that that work went to Western Australian companies and individuals. As I have just read in the list of the 11 major beneficiaries of the facilities management contracts, that work has not gone to Western Australians. The big beneficiaries of this privatisation regime - I am not talking about the broader question of the Government contracting out a range of its services, but just the facilities management arrangements - are the big multinationals which do not have an interest in Western Australia and which in some cases did not even have a presence here prior to getting their first government contract in the past year or so. That is having a subsidiary detrimental effect on Western Australia. As soon as that work is handed over to a company such as P & O, or one of the other major multinationals, much of the work that was previously done in Western Australia will be done out of its head office. The drawing up of legal contracts and the provision of stationery supplies, for example, are important to the small Western Australian suppliers, manufacturers and contractors who had hoped to pick up a slice of this work.

We have seen the loss both of jobs and economic activity as a result of this outsourcing activity. We are seeing increasing evidence of companies purchasing goods in the Eastern States when previously they supported local industry. I heard that the envelope manufacturer Spicers Paper Ltd shut up shop in Western Australia because facilities management contracts have been entered into with companies which are, by and large, multinationals and which have their headquarters in Melbourne and Sydney. Those companies order their stationery supplies in the Eastern States and there is no future for the Spicers company here. I checked that story and found that the picture is nowhere near as clear as that. However, that is one firm that has shut up shop in the past month and a significant number of people have lost their jobs. It has been suggested to me by industry people that one of the contributing factors in that closure was the fact that stationery was no longer being purchased locally. I do not place too much stress on that; who knows what was the last straw for Spicers?

However, concern is being raised by industry groups and representatives that the Government's information technology facilities manager is now purchasing its stationery supplies outside Western Australia, whereas previously they were purchased locally. Western Australian companies and contractors are feeling bitter that they have been shut out. I am told that small businesses often must ring the head offices of these facilities management companies in Sydney and Melbourne to arrange payment for work that has been done for the Western Australian Government. That is the ultimate insult. In the past, and certainly prior to the last election, we heard complaints from members opposite about the delays in Governments paying contractors. Those same contractors are now complaining about having to ring the head offices of the facilities management companies interstate to deal with their accounting matters and get paid for the work they have done.

Members will be aware of a whole range of areas in which the Government's privatisation program has resulted in contracts going to firms that have no connection with Western Australia. When radio station 6PR was sold, the contract contained guarantees about maintenance of employment levels - people would not lose their jobs - and local programming being retained. We all know the extent to which programs are now syndicated in the Eastern States and the extent to which job losses have occurred.

I draw members' attention to something more contemporary and significant: The MetroBus privatisation. Not one Western Australian company has picked up a contract now that the buses have been privatised.

Mr Cowan: Would you like to define the difference between privatisation and contracting?

Mr McGINTY: They are variations of the same thing. In respect of the buses, contracts with the Government to do work that was once done by the Government itself -

Mr Cowan interjected.

Mr McGINTY: One does not need an outright sale of an entity, asset or service for it to be privatisation; it is the transfer of resources from the public to the private sector. That can be either contracting out or a complete sale of an instrumentality. Quite clearly, the sale of BankWest was privatisation. Bringing in these facilities managers to take over these functions is a form of privatisation.

Mr Cowan: MetroBus was not either of those.

Mr McGINTY: It was the second.

Mr Cowan: No it was not. The buses are still owned by MetroBus.

Mr McGINTY: They are all variations on a theme.

The three companies that have been successful in tendering for work from MetroBus are TMG, a Victorian company, which has the Rockingham contract; ATE, again a Victorian company, which has the contracts for Wanneroo and Marmion; and Swan Transport, a Queensland company, which has the contracts for Midland, Canning Vale and Southern Rivers.

The Stateships fiasco is another example. After the Government shut down Stateships there was one ship - the *Sina* - providing an ongoing service through Union Bulk Ships, a TNT subsidiary based in Sydney.

Mr Cowan: And a saving of $17m per annum.

Mr McGINTY: But it was not a local company.

Mr Cowan: Bearing in mind the saving of $17m, I am quite sure that in your desire to present a balanced argument to the Parliament you are bound to tell everyone of the good side rather than just the down side.

Mr McGINTY: I am asking where the benefit for local communities is.

Mr Cowan: We have a $17m per annum saving and we got out of a contract that one of your colleagues entered into on behalf of the Government.

Mr McGINTY: The cost of Stateships will continue to be met by this State for many years. It was not a simple, clear cut shedding of liability; the costs have been great in purely economic terms according to an answer given in the upper House.

It is not my concern here to talk about anything other than who benefits from privatisation. The pattern is now almost universal that it is not Western Australian companies, and they are most unhappy about that. Of course, BankWest was a 100 per cent trade sale to the Bank of Scotland with 49 per cent being floated back through the market. An undertaking was given that 70 per cent of the 49 per cent that was floated would be available for Western Australian individuals or companies, leaving a mere 35 per cent, or thereabouts, of BankWest available to Western Australians to buy their share of what used to be their bank.

The other example I will cite is the PacStar communications contract. The Government, through the facilities manager PacStar, let a contract to manage government telecommunications. Part of the contract was that PacStar would establish a local operation in Perth, because to the best of my knowledge it had no presence in Western Australia. PacStar did that to get the contract and after it won the contract it shut down its local operations. I understand that it now has no interest in Perth other than the immediate management of the telecommunications contract. Unfortunately, notwithstanding the impact on local jobs and the local economy, we did not hear as much as a whimper or a public announcement about this from the Government. No-one cared; in the overall scheme of things it did not matter. It was simply more jobs and economic activity locally and the Government was happy to see that occurring only in the Eastern States. That starts to paint a picture of who are the real beneficiaries of privatisation, and it is not Western Australians or Western Australian companies.

One of my concerns about this is the adverse impact on industry development. I have already made the point that local industry expected to be the beneficiary of the Government's outsourcing program and it is angry that it has been excluded. Western Australian companies have been excluded from the markets they previously competed in by a range of factors. First, the facilities management contracts have gone not to local companies, but to companies which, at worst, are multinational and, at best, have their head offices elsewhere in Australia. The practices which a number of the facilities managers have engaged in have been anticompetitive and designed to exclude Western Australian companies from participating in the markets they previously participated in. A simple example is the multinational company P & O Facilities Management Pty Ltd, which was one of the facilities managers at what used to be the Building Management Authority. Its contract covered 40 government buildings in the Perth central business district and its job was to provide security, cleaning and maintenance of those buildings. The first thing P & O did

after picking up the contract was to insert in the tenders section of the *The West Australian* in April this year an advertisement which was headed, "Facilities Management" and it reads -

> P & O Facilities Management are seeking confidential Expressions of Interest from cleaning organisations for the provision of cleaning services to CBD buildings.

It sought to establish a restrictive tender arrangement which had the effect of preventing many Western Australian companies from tendering for the cleaning of government buildings which they previously tendered for. P & O has restricted the number of companies which can tender for these contracts from 160 to eight companies. The remaining 150 companies are very angry about that because they have been denied access to bid for contracts which they once had a reasonable chance of winning.

Mr Minson: How were they restrictive?

Mr McGINTY: By calling for expressions of interest to provide cleaning services and now the company simply goes to the restricted range of tenderers to ask them to put in a quote. It does not bother going out to the market to call tenders. In that way, there is no longer the opportunity for the companies to bid for those contracts. It is a cause of considerable concern within the industry and it has been expressed to this Government. The Master Cleaners Guild of WA (Inc) has expressed concern that its members have been excluded from these contracts and indicated that until recently 160 of its member firms were eligible to tender for cleaning contracts. It said that, at present there are 11 TAFE contracts available for renewal through P & O, but it is claimed that only eight guild members are now eligible to tender under the facilities management arrangements.

It is not confined to only the TAFE colleges because, pursuant to the advertisement which was published in the newspaper, a restrictive tender arrangement was put in place excluding 150 Western Australian companies from tendering.

Mr Minson: The Master Cleaners Guild helped P & O formulate the policy and it endorsed it.

Mr McGINTY: Perhaps the Minister should have provided the information that was requested. It is not what the Master Cleaners Guild said in a letter to the Government today.

Mr Minson: You said it was upset, but it formulated the policy and endorsed it.

Mr McGINTY: Is it happy?

Mr Minson: It is its process.

Mr McGINTY: It is not happy.

The development of industry in this State has been crippled by the process of facilities management bypassing local companies either directly, by dealing with the companies which have no base in Western Australia, or indirectly, by excluding a large number of local companies from tendering for the work for which they were previously able to tender. It is a major setback to the development of those industries and their capacity to participate in an ever-expanding and increasingly complex range of work.

I refer now to accountability. At a federal level significant criticism has been made of the contracting out process and removal of the usual government standards of accountability for work which was previously done within government and is now done by the private sector. Only recently the Commonwealth Ombudsman, Philippa Smith, reported to the Federal Parliament on the impact of privatisation and contracting out and the removal of a number of accountability mechanisms existing over those services. It creates a problem unless appropriate accountability mechanisms are put in place. In Western Australia the State Ombudsman has made similar comments to the effect that these organisations are not accountable to the Parliament and they fall outside the jurisdiction of the Auditor General and the Ombudsman. The result is a Government which is becoming less accountable. The more it outsources its work, the fewer opportunities members of Parliament and the community will have to enforce a measure of accountability on these organisations.

Problems will be encountered with the way these accountability mechanisms have been done away with and I will outline the concern expressed by the industry. The facilities managers are doing things which, if the Government did them, would be a scandal. However, there is no accountability and these people are not taken to task. The Government is failing to enforce its contracts with these facilities management companies like the PacStar arrangement, where it was a condition of the contract for it to establish a local operation, but it walked away from that as soon as it was awarded the contract. More importantly, the ethics of their dealings and the conflicts of interest which arise are profound and action is not being taken by the Government to address these matters.

I ask the Minister to indicate in this debate where the accountability mechanisms are to prevent an abuse of the system by the contracting out companies. They are not evident at the moment and it is leading to an abuse of the system.

Mr Minson: If a government department or a Minister signs up to purchase a particular range of goods and services, they must be provided under the contract specifications. Is that not accountability?

Mr McGINTY: No, it is not. It is about the processes in which one involves himself.

Mr Minson: For goodness' sake, you are being absolutely stupid my friend.

Withdrawal of Remark

The SPEAKER: Order! I ask the Minister to withdraw that remark. It is not appropriate to refer to other members as stupid.

Mr MINSON: I withdraw.

Debate Resumed

Mr McGINTY: To conclude the point I was making about accountability, I will quote from an article which was published last week in *The Australian* under the heading, "Consumers lose in shift to contractors". It is an article on the federal Ombudsman's report to the Federal Parliament on contracting out. It reads -

> People could be denied recourse to appeals against federal government decisions because $8 billion in services was contracted out to the private sector, the Commonwealth Ombudsman, Ms Phillippa Smith warned yesterday.
>
> In a strongly worded report to the federal Parliament, Ms Smith said that government departments which contracted out services were escaping scrutiny and called for more powers for the Ombudsman to cover problems created by the practice.

It goes on to talk about the specific nature of the problems that have arisen.

I will come back to the question of accountability, because that will be a recurring theme in my speech in the time I have left today. Industry groups in Western Australia are complaining about the way in which these facilities management contracts are being put together. They are too large and they are constructed to cover the provision of a range of goods and services in such a way as to exclude Western Australian companies which specialise in a particular area. For instance, I gave at the outset the example of Osborne Park Hospital. Very competent cleaning companies cannot apply for the facilities management contract, because it also involves catering, gardening and purchasing. By bringing together those four streams under the one heading, all those Western Australian companies, which are good and capable companies, cannot apply. Two British companies have now picked up the contract.

Mr Minson: Western Australian companies will still do those jobs. It is only the management that is contracted out.

Mr McGINTY: The point is made quite eloquently about the information technology area by the Australian Information Industry Association Ltd, which wrote to the Minister last month to make this point, among others -

> The size of the "chunks" of work which are put to tender.
>
> Where these are consistently very large, they tend to exclude locally based companies, except as subordinate to a large company. The cost of bidding and of contract negotiation if successful, can be beyond the capacity of most local firms. Also, the financial risks involved may be too large to absorb.

That is a case of the Government constructing its facilities managements contracts to exclude Western Australian companies. The inevitable consequence has been that 10 out of 11 of those companies are foreign companies, in the sense that they have no real base in Western Australia. The aggregation of a range of functions is excluding Western Australian companies from the process.

The Minister for Health also received correspondence about these matters. The Master Cleaners Guild of WA (Inc) wrote to the Minister only this month. Under the heading of "Osborne Park Hospital outsourcing" it states -

> In the light of the selection of SERCO as the preferred supplier of the above services, we would seek an urgent meeting with you.

The letter continues -

> . . . denied the right of well established WA businesses to be seriously considered for the parts of this contract for which they were well qualified.

> In view of the Osborne Park process being used as a model for all medium sized hospitals and the time line set out on the attached we would seek an urgent meeting with you to discuss what role you now see, WA businesses have to play in the health area of out-sourcing by the WA Government.

If the Minister were honest, he would say "not a great deal". WA businesses do not have a role to play, because the contracts are not going to Western Australian companies but to foreign or interstate corporations, with very little benefit flowing to Western Australian companies. Industry organisations are complaining bitterly to the Government that they feel they have been betrayed by this Government that held out so much promise at the beginning, and has now moved to exclude them from the process.

The next matter I will touch on is the question of preference to Western Australian companies. Other States have a proud and strong position with government contracts of giving preference to companies that are based in their States. As much as we might criticise Jeff Kennett for a range of things, no-one could say that he is not daily pursuing the interests of Victoria and Victorian companies. No-one would suggest that Jeff Kennett would bring in multinational companies or companies from other States to exclude Victorian companies from operations in that State. However, that is exactly what is happening in Western Australia. Other States, for example South Australia, have what is referred to frequently as a two envelope policy for government contracts. They look at the price - the tender that is put in - and then give equal weighting to the impact on the local economy, whether it is a local firm, and whether jobs will be created locally in the awarding of that contract. They look very much at promoting the interests of their States. I am aware of State Supply Commission rule No 113, which pays lip service to that.

Mr Minson: Has the Leader of the Opposition read this document?

Mr McGINTY: Industry does not like the Minister's glossy documents, because it believes they are warm and fuzzy.

Mr Minson interjected.

Mr McGINTY: Their phrase is "warm and fuzzy but never honoured".

Mr Minson: They are delighted with it.

Mr McGINTY: That is not what they are saying to the Minister in correspondence and the Minister knows that. Industry is very angry that this is a policy of warm and fuzzy words; however, when it looks at what they mean, they see the contracts are not being awarded to Western Australia companies. Western Australian companies are the big losers from this arrangement.

Each of the other States actively pursues a policy of promoting local industry. If we have that policy in Western Australia, why is it that 10 of the 11 contracts to which I have referred have been awarded to companies with no real links with Western Australia? It is because there is no real attempt to protect, foster and enhance local industry.

The next matter I will refer to has caused considerable concern among various industry groups; that is, the question of commercial confidentiality. I will read from a recent letter written by a government department to the Minister for Services' own department. It is headed "conflicts of interest" and states -

> It would appear that there is potential for serious conflicts of interest where the FM -

That is the facilities manager -

> - is also a service provider for cleaning, plumbing, painting, electrical contracting or maintenance - or has other links through associated companies.
>
> An example cited to the SBDC is P&O Berkeley Challenge, where P&O as the FM calls tenders for cleaning services, and accepts a bid from its own cleaning division, Berkeley Challenge.

Mr Minson: That has not happened.

Mr McGINTY: Yes, it has. In terms of accountability, which the Minister got so excited about a few minutes ago, if a government department had that sort of conflict of interest, it would be an absolute scandal. Can the Minister point to a provision in the contract that he refused to table in this place that prevents that from occurring?

Mr Minson: Are you telling me that Berkeley Challenge has been appointed as cleaning contractor for P & O? It has not. If that is not what you are saying, why did you read that out?

Mr McGINTY: I am talking about conflicts of interest.

Mr Minson: You gave an incorrect example to the House.

Mr McGINTY: The Minister has obviously missed my point. I will read the letter again. It states -

5.

> An example cited to the SBDC is P&O Berkeley Challenge, where P&O as the FM calls tenders for cleaning services, and accepts a bid from its own cleaning division, Berkeley Challenge.

Mr Minson: That is a potential situation; it has not happened.

Mr McGINTY: Where is the accountability mechanism to stop that from occurring?

Mr Minson: You have not read the contract?

Mr McGINTY: Does that provision exist?

Mr Minson: I do not know.

Mr McGINTY: If the Government's own department is writing these letters of complaint, and if the Minister's department -

Mr Minson: That is not my department.

Mr McGINTY: The Minister is responsible for these contracts and for the State Supply Commission.

Mr Minson interjected.

The SPEAKER: Order! The Minister is interjecting far too frequently.

Mr McGINTY: The letter continues -

> The question has to be asked whether P&O is in a position to make a fair and open assessment of all the tenders submitted, given that Berkeley Challenge is reported to be increasing its share of cleaning contracts in both the government and private sectors.
>
> In the light of the selection of SERCO as the preferred supplier of the above services, we would seek an urgent meeting with you.

The letter makes a second point about tendering arrangements. It states that over 150 small businesses are now precluded from tendering, allegedly because P & O is said to be deliberately restricting competition to unfairly assist Berkeley Challenge in the tender process. The letter states -

> The question has to be asked whether P&O is in a position to make a fair and open assessment of all the tenders submitted, given that Berkeley Challenge is reported to be increasing its share of cleaning contracts in both the Government and private sectors.

It goes on to make a second point - one that I have already made - that over 150 small businesses are now precluded from tendering, allegedly because P & O is said to be deliberately restricting competition to assist Berkeley Challenge unfairly in the tendering process. The letter states -

> Another instance cited to the Small Business Development Corporation is the case of Chiefton Management.

That company has a facilities management contract with the former Building Management Authority, which I think is now known as CAMS. It continues -

> . . . Chiefton allegedly has awarded electrical maintenance contracts to a company associated with its chief executive officer.

That is a scandal. Have we heard anything from the Minister about what he will do about that? Where is the contractual provision that prevents that from occurring? This is what I mean about accountability. If this happened within government, there would be an inquiry; the matter would be dealt with properly; people would feel that through all the accountability measures, with the involvement of the Auditor General, the Ombudsman and this Parliament in that matter, redress could be achieved. That is what I mean by saying that once this process of facilities management is undertaken without the necessary accountability measures in place, it is a recipe for disaster. It is a recipe about which one of the Government's greatest supporters, John McGlue, writing in the financial pages of *The West Australian* on 30 August, said -

> Could contracting and outsourcing become the WA Inc of the 1990s? . . . the State Government could soon find itself troubled by financial scandals and misdemeanours flowing from its rush to privatise Government services.

This is the very point I am making. A documented example has been reported to the Minister where a multinational company has set itself up in a conflict of interest and there is no accountability mechanism in place to overcome that

problem. Even the Minister has admitted that. If a company received a tender and adjudged that was the best tender, I would not accept that. The perception of bias is also there. It is a decision that cannot stand. By placing these matters outside the public sector, the Government is depriving the public from access to knowledge of this operation and the ability to complain through the public sector processes to ensure accountability in these areas.

This has been done quite deliberately, and reduces the capacity of this Parliament and the public to control matters that affect their future. Questions of confidentiality of tender information have also been raised. This is a scandal. The letter from the Small Business Development Corporation says that companies, in putting in tenders, are often required to submit details of their marketing plan, pricing structure and a whole series of things that are commercially confidential. They are required to submit that information to their competition as part of the tender. If that is not a clear case of a conflict of interest, I do not know what is. I ask the Minister this: How is that prevented? Under these arrangements, where are the accountability measures? I will read from the letter directly. Under the heading of "Confidentiality of tender information" it states -

> This issue is closely linked with the conflict of interest problem, but with some wider implications, particularly regarding access to contractor's records. There is serious concern in the small business sector that FMs are demanding confidential information from tenderers on the structure of their business. This information can include details of their marketing plan, turnover, financial accounts, other clients etc. which could be put to improper use by the FM to assist its preferred contractor to win the tender.
>
> It is also claimed that FMs are using this information to assist their own operating companies to win private sector contracts away from the current operators. At present the FMs can apparently demand this information, and exclude a small business from its tender list if it refuses to comply. This is said to be happening on a frequent basis.
>
> There appears to be no prohibition on FMs divulging confidential commercial information obtained from potential competitors within their own operating divisions.
>
> The question must be asked can large multi national companies ever be trusted to set up a Chinese wall to prevent their competing divisions from accessing tender information to which they are not entitled.
>
> If such confidential information is required, it should only be made available to agencies like the Supply Commission or the Building Management Authority who are fully accountable for their actions, and operate under strict procedures.

The question of commercial confidentiality raises a most serious matter which is not covered in the contracts, other than in the most general terms that the facilities managers are expected to comply with State Supply Commission guidelines. We know the extent to which the Government ignores, seemingly with impunity, the State Supply Commission guidelines: Witness the Stateships fiasco where breach after breach of the State Supply Commission Act and guidelines was committed by the Government's own department with nothing of any substance being done about it. How can the Government then say that it has done a Pontius Pilate, washed its hands of the matter and then say to the facilities manager, "You go away and do the job and just make sure it is done at the end of the day, and we don't care about the processes"? How can the Government expect those facilities managers to measure up to standards of accountability that one might expect in the public sector and that I expect where a public service is being delivered to the people of the State?

I will now touch on a matter that I have already briefly mentioned; that is, open tendering. Today open tendering is generally seen as desirable unless, as the Minister has pointed out, there is some agreement in the industry that different sorts of work should be conducted on a restrictive tendering basis. That exists in the former Building Management Authority, where work above a certain limit is available only to companies that are registered and have demonstrated a capacity to do that sort of work. In those sorts of arrangements a restrictive tender comes into play. I have no argument with a restrictive tender applying in appropriate circumstances. However, that is not the case when we are talking about the contract for the cleaning of one government office building that is very much the same as the contract for cleaning any other government office building. The introduction of a notion of a restrictive tender arrangement, which excludes the 150 companies to which I have already referred, to give a privileged position to only eight companies, one of which is the facilities manager, is inappropriate, especially by a facilities manager supposedly acting in the interests of the Government and, therefore, the people of this State.

During my contribution to this debate I have tried to address only the question of facilities management contracts, to point out there are significant problems. Those problems are now being actively voiced by a number of companies that feel betrayed, that had hoped to pick up Government contract work flowing from the outsourcing of what was previously done within the public sector. These companies feel bitterly disappointed that they have been excluded from the process. The work has been lumped together in such large chunks that it has had the effect of excluding

Western Australian companies from tendering for it. Then the work has been handled in such a way, without accountability mechanisms, as to act very much to the detriment of local companies. Increasingly we are seeing the head offices of these companies doing their purchasing, and decisions being made by the head offices that are not located in Perth. I am quite proudly Western Australian and I want to see Western Australian industry prosper and Western Australians in employment.

The policy that has been adopted by this Government is anti-Western Australia, designed to promote companies that have no link with Western Australia. It simply satisfies an ideological desire to privatise, to contract out. The easy way to do that is to handball it all to the big multinationals that have experience in these matters on the international stage. That is not in the interest of Western Australia. I urge the Government to review its decision. It must have a good, hard look at each of the issues I have raised; that is, conflict of interest, excluding Western Australian companies, industry development - or the lack of it - flowing from these policy decisions, the absence of accountability mechanisms, the grouping of contracts of such a size as to exclude many specialised WA small businesses, the absence of positive preferences for Western Australian companies, the issues of commercial confidentiality, and also open tendering. Those very serious matters point to there being some validity in the view that has been expressed by John McGlue in *The West Australian* that the question of facilities management, contracting out and outsourcing could become the financial and government scandal of great proportions of the 1990s.

MR BROWN (Morley) [8.30 pm]: I wish to focus on two of the issues raised in the motion; namely, matters of accountability, and matters that will impact on the wages and conditions of public sector employees. I will commence with the impact of contracting out on public sector employees. Essentially, the Government's contracting out policy starts from the footing that public sector workers are inefficient and cannot deliver the goods. The message from the Court Government to public sector workers is that they do not measure up; as such, the Government intends to contract out their work to the private sector. What we see incrementally each year is that departments and agencies examine their functions and look at an increasing number of functions that can be contracted out to the private sector.

This Government was elected on a mandate of more jobs and better management. If the Government were serious about that slogan, it would try to put it into effect. However, the Government has decided that its Ministers do not have the capacity to achieve better management in the public sector; therefore, it will give that task to the private sector. If Ministers could manage the bureaucracy and employees, and if they could deliver the efficiencies, as they claim to be able to do, they would manage better. The fact that they do not manage better is due to their incompetency and inadequacy. The one positive hallmark of this is that at least Ministers recognise their own deficiencies; therefore, they say, "We are too incompetent to do it; we will give it to the private sector." That demonstrates that the slogan upon which the Government was elected is a joke, because not even the Government believes in that slogan.

One can understand the demoralising effect of this policy on public sector workers, because each day when they come to work they do not know whether they will be told this month, next month or the month after that their jobs will be sold to some private sector group or agency. The Government has sold off during its time in office 6 000 or 7 000 jobs, with no regard for those employees and their families, but simply in pursuit of an idealogy. That not only creates great uncertainty for those employees, but also devalues the important contribution which those people are making to this State.

That is how the Government views public sector workers. All public sector workers, or all those who are left, can now see through the untruths that they were told by this Government prior to the last election. I am sure they will be looking very seriously at the policies that emanate from the Court Government this time around, if indeed there are any policies.

This Government has sought to achieve so-called savings through contracting out by reducing the wages and conditions of workers who are transferred from the public sector to the private sector. During a debate in this Chamber the other day, some members of the Government said tongue in cheek that workers who had been transferred from the public sector to the private sector had not lost out in any way; their wages and conditions had not been reduced. Everyone knows that is not true. Anyone who has examined the contracts of people who have been transferred will understand the so-called savings that are being achieved are based simply on pushing down the wages that those employees receive. We see that time and time again in all sorts of departments and agencies where the work is sold off for a contract price: The contract price is compared with the price of government operating the service, and there is an alleged saving. Of course, that alleged saving in many instances appears to be the difference between the wages and conditions that those employees received in the public sector and what they will receive in the private sector.

It is a quite clear policy of the Government to push down the wages and conditions of ordinary working people. I say that for two reasons. The first reason is that it is very clear from the Government's Public Sector Management Act regulations that the Government has the power to order a government worker to take up a position in the private sector if that worker's job has been sold off. In addition, that employee can be ordered to take up that job on 80 per cent of his or her previous rate. The second reason, to give a bit of clout to that provision, is that the Public Sector Management Act regulations provide also that an employee who has been instructed to apply for a job at perhaps 20 per cent below his or her previous rate and who does not comply with that instruction can be charged under the Public Sector Management Act for being in breach of a clear instruction, and can be dismissed. The intent of the Public Sector Management Act regulations is that workers be dismissed if they do not comply with that instruction.

Another incentive to make sure employees comply is that any employee who does not comply, is charged and is dismissed under these regulations after being instructed to take a job at 20 per cent below his or her existing rate, has an extra penalty. The employee is not entitled to transitional payments or redundancy payments of up to 12 weeks' pay. That is a clear policy from the Government to drive down the wages and conditions of public sector employees. It is nothing more than a cheap device, because we will find a number of public sector workers, particularly those who were engaged prior to the Workplace Agreements Act coming into place, are entitled to public sector award rates and conditions. Those cannot be altered unless the employees agree. A way of getting round that is to sell off the job to the private sector and to drive down the rates. That race to the bottom is happening for many people who were engaged in the public sector and who have been pushed into employment in the private sector as a result of their jobs being sold off. We have seen a whole range of examples where this has occurred. I am very pleased that this debate is taking place tonight because when the statement was made previously by this side of the House that this was occurring in the public sector, many government members jumped up and said that it was not occurring at all and that it was a misrepresentation. I am pleased by the silence tonight of the government members. They are too tired or disinterested, or they accept that it is occurring. I take it that they accept it is occurring. We are seeing a lessening of the award conditions and the income of workers who have moved from the public sector to the private sector.

I will detail some of the cases where this has occurred. The other day some members of the Government tried to pretend that workers were not disadvantaged and said that MetroBus had its schedule of rates mixed up and did not provide the correct schedule, and that the bus drivers transferring from MetroBus to private operators were earning more for the same hours. Let us leave that for the respective Minister to deal with. I will deal with one case which shows how pernicious this is. The Art Gallery decided some time ago it could save a fairly significant sum of money by contracting out security services to the private sector. That is what it did. It called tenders and the contract was duly awarded to the private sector. Security officers working for the Art Gallery were given the choice, "You can be redeployed - we are not quite sure where and we are not quite sure what will happen to you - or you can go to the private employer." We can see now how the Government is seeking to get round the problem of redeployment. A disgraceful situation exists with Westrail, where people have been isolated. The best way to get people to resign from their jobs is to declare psychological war by isolating them and treating them capriciously, so that they give up in despair. We have seen those gutter tactics to get at those people because they will not transfer to the private sector at lower wages and conditions to meet the Government's political objective. People in the public sector are isolated in little pockets around the town, in offices with empty desks and no phones, and they are given no work. It is simply a device being used to declare psychological war on those people so that they give up and resign or take up a job in the private sector.

On Saturday morning I was at my local shopping centre talking to some of my constituents. One of the first to talk to me was a government employee who has been in that employment for 22 years. He is being put through the current process, with a slight variation. He was put in a position and a month later was taken out of that position and put into another position. To create uncertainty he has been moved from job to job and from area to area that he does not know. We can see the psychological treatment going on with no decency at all or consideration for the individual or his family. It is a device on the part of the Government to achieve its political objective but it is causing enormous long term damage to government employees who have given long years of service to this State. This Government is out to break their backs and their wills, and in some cases their bank accounts. We can see this quite deliberate policy.

I go back to the Art Gallery case. It decided that it could save money by contracting out its security services. It called for tenders and the contract was awarded to MSS. The terms and conditions of the MSS contract went to the Australian Industrial Relations Commission because the unions sought to preserve the terms and conditions of employment for the security officers who were being transferred from the Government to MSS. The argument from the union was, "If you want to contract the services out and have MSS to run them, that is a decision you can make. We do not want our members to be disadvantaged by the process but to continue to receive the same terms and conditions of employment which they were receiving prior to the contract being let." Commissioner Laing in his decision referred to the loss. This is in the Australian Industrial Relations Commission case number 60607, dated

28 August 1996 and, therefore, it is a current decision. In the body of the decision he refers to the facts of the case. In the second paragraph on page 2 he said that in the union's submission and on the employer's own material, there would clearly be a diminution of some 12 per cent in the base rates of employees' wages and entitlements, if the employees took up employment with the new employer under the security industry award. He then said that long service leave would change from an entitlement every seven years to one every fifteen years and that rosters would reduce benefits from those currently available. This is not an isolated, special one-off case, but one of a number of cases that employees and their representative organisations are dealing with every day of the week.

Every day of the week union officials are in the commission negotiating and doing what they can on behalf of their members, who are public sector workers, in order to maintain their standard of living. I am referring to a 12 per cent reduction. What would happen if the Salaries and Allowances Tribunal said tomorrow that members of Parliament and Ministers were earning too much so their salaries should be reduced by 12 per cent together with a reduction in a few other entitlements such as travel and superannuation? This is what is happening to public sector workers. Can members imagine the howls of protest that would come from government members? They would go berserk. How can anyone live on less than $80 000 a year? That sort of reduction is okay for public sector workers such as the security officers here who are probably on a base annual rate of about $25 000. The Government will have us believe its policy is equitable. As I said, that is just one case.

The other day I spoke to a person formerly employed by the Water Authority. When I asked how she was getting on, she said that she had received a 6 per cent wage increase. I said, "You have done quite well." She said, "Yes, I got a 6 per cent wage increase; I work 10 per cent more hours; and my long service leave has gone from every seven to every 15 years. I used to get a 12 per cent employer contribution but it is now 6 per cent; and I get a week's less leave every year." The list goes on. If the Government wanted to be honest, it would legislate to take away benefits from public sector workers. However, to do that it would have to take on 90 000 government workers in one go. That is a big ask because many of those are coalition voters and the Government would alienate all of them overnight if it did that.

The better, more cancerous, slimy, underhanded way is to gradually lower rates and conditions by contracting out services. In that way only small groups are affected at one time and the Government does not have to confront all the public sector work force at once. That is the real colour of the coalition and what it is about. That is its justification for the way it is treating its employees. That is just one side of the argument about employees, not to mention the remarks by the Leader of the Opposition.

The Government is very secretive about this process. When we ask questions in this place seeking financial accountability, information is not provided. I referred yesterday - I remind the Minister for Services who is here with us this evening - that the Minister put out his own media release a short while ago indicating that the Government would save something like $180 000 by letting out a contract. We asked the Minister in a question on notice to explain from where the saving will come. Perhaps the figure was arrived at simply by spinning a chocolate wheel until $180 000 came up. Our question asked for the methodology used to arrive at the $180 000. It was not a difficult question, but the Minister said he would not explain it. Where is the accountability? Either he spun the chocolate wheel or said, "What number will look good in the media release? The amount of $180 000 sounds like a good number." The answer to the question made it sound even worse because the Minister said that the savings could not yet be worked out. He could work them out pretty well for the press release to the media. However, when the difficult questions are asked - not by the pimply faced 15 year old journalist who will write the story, but by the Parliament - and the Government is requested to front up with the numbers, we do not get the answer. Time and again the Government has not delivered information or been accountable to this Parliament.

In May, the Government let a contract for its payroll to a Japanese company. We have been told that tenders were put out and the bids assessed. We asked if the contract was advertised and the answer was yes. We asked how many bids were put in and the answer was three. We asked what were the other bids and the answer was that two were non-complying. The Government had one bid. The contract went into operation, I think, in May. It worked all right for about the first six weeks until the group certificates had to be issued to all government workers. That resulted in thousands of government employees receiving a letter saying that the Government was very sorry, but the Japanese company had mucked it up and they must be issued again. It particularly mucked up the double-barrel names because someone was not sure how they operated. This is good management!

I would not like to see an executive who was managing a business on the basis of a good contract, who after five weeks mucked up the system. In some of the cut and thrust companies these days he would be gone and told not to come in the next day because the office would be locked. This problem occurred after only five or six weeks. What an abysmal showing. It goes on.

Mr Lewis: Why do you keep laughing if it is abysmal?

Mr BROWN: It is abysmal.

Mr Lewis: Why say it more than once every time you make a statement?

Mr BROWN: Some people are a bit thick and I like to make the point. I am very pleased the Minister is listening and that he has not interjected before this. If the quality of his interjection after all the other allegations I have made - no-one is jumping up to say they are wrong - is that I said the same thing twice or three times -

Mr Lewis: I am not sure why you are so happy about it.

Mr BROWN: I am not happy about it.

Mr Shave: He is mixing cynicism with happiness.

Mr BROWN: The member for Melville is not too bad this evening; he is awake and doing quite well. That is an improvement. This contracting out policy of the Court Government has had very serious implications for government sector workers moving into the private sector. It has resulted in lower standards and it has certainly had an abysmal effect on accountability to this Parliament. Frankly, we cannot get the information on contracting out because either it is not available or if it is, Ministers refuse to provide it.

MR KOBELKE (Nollamara) [9.01 pm]: The Leader of the Opposition in moving the motion presented a lot of evidence on the costs this State is incurring due to the contracting out processes being embarked on by the Court Government. One of the achievements of its contracting out has been to export jobs from this State. No-one is suggesting that is a majority of jobs. Why in a time of high unemployment would the Government export jobs from Western Australia as part of its policy? That is something the people of this State will not accept.

Mr Minson: Have you heard of a national preference policy?

Mr KOBELKE: I have, but I am not up to date with its latest form. I know it is developing. The point is the Government has adopted a course of action on contracting out that is not required. This policy has resulted in a flight of jobs from Western Australia to multinationals and to the other state capitals. In doing this it has failed to ensure that a framework of democratic accountability has been set up for a range of issues which were in the public sector and which had a high degree of accountability. The Government has a conflict of interest in all sorts of areas and a potential for corruption that did not exist before. When this involves hundreds of millions of dollars one can be fairly certain there will be an increase in corruption in Western Australia because of the way the Court Government has handled its contracting out processes. Time will tell whether I am right. Most members know that when we are dealing with hundreds of millions of dollars and there is no such thing as good management or proper accountability, something will go wrong. This Government's actions will be the cause of an increase in corruption in this State.

This Government's election platform was to provide more jobs and better management. It has not provided more jobs in the public sector. There has also been a total lack of any improvement in management. The Government has gone from fiascos, to overturning established standards, to impropriety. One event after another indicates this Government does not have any concept of better management. Who are the beneficiaries of this contracting out? That has not been explained. This Government, as the member for Morley said, will not give us the figures or the facts so that we can assess the gains to this State. I am not suggesting there have been no gains. However, we do not get all the figures to see whether there has been a net gain.

In three years of Court Government Budgets there has been an increase of 42 per cent in the Government's revenue through tax and other forms of revenue. This is due partly to increased economic activity and partly to the higher taxation levels that this Government has placed on ordinary families. In that time, the Government has sold off major assets in excess of $1b. It also promised that contracting out would result in savings to the Government's coffers of about $300m. Who is getting the benefits?

Mr Minson: The people of Western Australia.

Mr KOBELKE: That is something to laugh about. The people of Western Australia are suffering. Their jobs are threatened and they are paying higher taxes. They want to know who is benefiting. The people who have picked up the contracts are the beneficiaries. They seem to be doing okay. However, the people of Western Australia are worse off under the Court Government.

An example of the costs to the people of Western Australia resulting from this Government's contracting out is the disgraceful cleaning situation in our government schools, particularly those schools in which contracting has been introduced in the past 12 months. The Minister has tended to write off the issue as starting up or teething problems associated with getting the contracts in place. He has been saying that for nearly six months and it is not getting

better. The problem is the same and perhaps even getting worse. I do not think it is appropriate for the Minister to sit on his hands and say that, in November or some time later, the Government will review the situation.

I do not wish to be seen as anticontracting. There is a role for contracting. Some schools in Western Australia will always be cleaned by contractors. However, the Government should be ensuring performance in the work that is being done. The Government has to assess whether Education Department of Western Australia cleaners provide a quality and efficient service or whether contractors can provide a quality of service at a cost. However, this Government has not made that assessment. No adequate assessment has been made of the benefits to be gained from that contracting out. When we ask the Government to substantiate its wild claims about the benefits, we get part answers and distortions of the truth. The only example of a thorough, independent, objective assessment of contracting out that I am aware of was the Auditor General's report on the South Perth ferry, a minor issue. In that case the Auditor General found that it was costing more to contract out than it was to run as a government operation. How much are we losing in other areas where the contracts are running into hundreds of millions over the life of the contract? We do not know and this Government hides the figures. Why? Because there is no benefit for the people in the contracting out. The contracting out is being done purely for this Government's ideological purposes. As the member for Morley suggested, it may be tied to the Government's wish to drive down the wages and conditions of the ordinary working men and women of this State. That would fit many of the statements that have been made by this Government.

I sent a survey to government schools across the State at the start of the second term of this year. I received over 170 responses. When I collated the information and prepared a report, 174 schools had provided responses on school cleaning. That survey indicated that those schools which had Education Department of Western Australia cleaners had seen a reduction in cleaning standards in 31 per cent of the schools that responded. Sixty-five per cent said the standard was the same. That reduction was due to an efficiency requirement by the Government on school cleaning a year or two ago. That led to a reduction in cleaning hours of roughly 20 to 30 per cent. Therefore, the Government had achieved efficiency with department cleaners by reducing hours and there was a reduction in cleaning standards in approximately 30 per cent of the schools that replied to the survey.

The Government moved on to contract out cleaning in a number of our schools. The survey indicated that of the schools that moved to contract cleaners, 66 per cent had seen a deterioration in cleaning standards and only 31 per cent indicated that the standard was unchanged. Across those schools, the survey showed that the reduction in cleaning hours was more like 35 per cent. I do not think it is acceptable for the Minister to say that was teething problems through the second term, because we are now almost at the end of the third term and the problems continue. In the House last week I referred to three schools that have ongoing major problems with the standard of cleaning. I have another example of how bad the problem is.

Mr C.J. Barnett: Your survey quoted 60 per cent of schools as having problems with cleaning contractors. The Education Department says that 160 schools have contract cleaners, but only 29 of those schools have problems. I guess that to be in the order of 18 per cent.

Mr KOBELKE: I suggest that the Minister should look at the situation himself because these problems are being hidden in the bureaucracy which is doing a snow job on the Minister.

Mr C.J. Barnett: That is extremely complimentary of the professionals in the Education Department.

Mr KOBELKE: I am continually receiving reports that the problems complained of by schools are not being fixed. They are simply being brushed under the carpet. I suspect those complaints are not being reported to the higher levels in the Education Department.

Mr C.J. Barnett: Your "survey" said two-thirds of the schools with contract cleaners have problems. The Education Department says the figure is less than 20 per cent. It is still significant, but it is not the same.

Mr KOBELKE: The problems must be quite severe before people will make a formal complaint. Many people are putting up with a reduced standard of cleaning. They grizzle in the community and write to and telephone me. However, they do not always make a report to the Education Department. Furthermore, I understand complaints are not always acted upon. Therefore, some of these cases may not be included in the Minister's statistics. I may be wrong, but I suggest the Minister should look at the matter more closely.

This information was given to me by people involved in the school community at White Gum Valley, so I cannot vouch for all the details. There may be some discrepancy in the number of hours worked, but I have the information on good authority from people in the community. The cleaning time originally allocated at the White Gum Valley Primary School using Education Department cleaners was 11 hours a day. In order to maintain their jobs the cleaners were asked to achieve an efficiency increase of 30 per cent. They did that across the whole system which led to a reduction in the number of cleaners and in the total number of hours worked. It was achieved with the number of

cleaning hours being reduced to eight a day at White Gum Valley Primary School. There were some complaints that the standard had fallen away a little, but there was not a huge reduction in the standard. Two cleaners were paid to work a total of eight hours between them, although they may have worked for longer hours because I understand they were dedicated employees. The standard of cleanliness at that school was better then than it is now. Complimentary remarks have been made about the two cleaners, one of whom had worked at the school for 17 years and the other for 11 years. They were efficient cleaners who worked very hard. They knew the school and were good at their job.

From 22 May last, a contractor was employed to clean the school. The Education Department cleaners were offered jobs with the contractor who said that he could clean the school in four hours 25 minutes a day. That was a reduction from eight hours. It was clearly a deception, and the cleaners knew that the school could not be properly cleaned in that time. They were professionals and they did not want to be part of that lie. Although they wanted to continue working at the school, and everyone wanted them to continue, they took redundancy because they did not want to play this stupid game. They knew the reality of the situation. The new contract cleaners were untrained and without experience, and they were not efficient. The system was a total disaster. It was such a disaster that the Government had to sack the contractor doing the work at White Gum Valley Primary School and a number of other schools. A new contractor was appointed.

Mr C.J. Barnett: The fact that action was taken shows that, although there was a problem, it was dealt with and that sent a message to the contract cleaning business about its performance. It gave them a lesson.

Mr KOBELKE: It is my personal view that those contractors were sacked not just because their work slipped below an acceptable standard - if that were the case many other contractors would have been sacked - but because it was so deplorable that nothing else could be done. No regime was in place to ensure the maintenance of adequate standards. The Government was so embarrassed by the deplorable situation that it had no alternative than to sack the contractor. A new contractor, Arrix Cleaning Services, is now doing the work which had been carried out by two Education Department cleaners working a total of eight hours between them. Arrix is being paid for 11 hours' work a day at that school, and the anecdotal evidence is that the standard is not as good as it was under the Education Department cleaners. The contractor has been given 50 per cent more hours in which to clean the school but I am advised it is not doing a better job. For example, for the last week or two, no liners have been placed in the bins. The response to requests for liners is that they will be provided soon. However, it is obvious that the school cannot hope for the standard of hygiene and cleanliness it became accustomed to with the Education Department cleaners.

Where are the savings to this Government? Everyone knows that the schools are dirtier. Where is the advantage? The figures this Government has presented do not indicate an overall reduction in the cost of cleaning.

Mr C.J. Barnett: Yes, there is.

Mr KOBELKE: The Minister has the opportunity to produce detailed figures which present the true situation and do not distort it. He should give figures school by school to show the savings. If he believes he can refute my argument, he should present figures showing the cost of cleaning under departmental cleaners compared with the cost under contract cleaners for each school. He should also include the cost of supervision. It will be seen from these figures that no saving has been achieved across the system using contractors. In the school to which I have referred, and in a range of other schools, the cleaners are not as efficient or well trained and they do not do the job as well, in terms of standard and the amount of time taken, as did the Education Department cleaners. The Government has also incurred the huge cost of establishing the contracts; going through the tender process, and awarding the contracts. Also, because of the range of problems, departmental officers must be used to check on the problem areas. Under the previous system a relationship was established between principals and cleaners, and the principal called in the appropriate section of the Education Department when a problem arose. Of course, with a system involving thousands of cleaners problems did arise from time to time, when cleaners did not do the work properly, additional training was needed or local problems had to be addressed. Within the Education Department was a unit which provided the training and support required, and inspected schools about which there was some concern with regard to the standard of cleaning. One must now employ more people to achieve the same coverage because the outside contractor's work must be checked. If one factors in the time spent by principals on this matter - it is reported that they spend hours on this - the supervision cost to the department is much higher than it was under the previous system. What about the loss of time of teachers? We are talking about lowly paid cleaners, yet principals and especially teachers are taking on the responsibility in part for the work of the cleaners.

What about the redundancy cost for those cleaners who took redundancy payments? How many hundreds of thousands or millions of dollars was involved in that? I do not know whether the figure has gone over the $1m mark, but certainly redundancies will have been a large cost. Savings will not be made unless the Government thinks, as the member for Morley suggests, that it can drive down the wages of cleaners. Cleaners working under contract are under the same award as Education Department cleaners. A few variations might accrue in add-on costs.

Nevertheless, one is paying the same rate and no savings are made. Perhaps it is the Government's agenda for poorly paid cleaners to have their hourly rate reduced further. If that is not the case, how will the Government reduce costs through contract cleaners?

There is a place for contract cleaners; in certain cases they can do the job more efficiently than government cleaners. A few examples of that can be found across the Government's contracting out system. However, the bulk of cases clearly show that it is costing more to use contractors to achieve an inferior quality of work. I gave the example of White Gum Valley Primary School where the Government pays cleaners to perform an inferior job in 11 hours to that performed by the Education Department cleaners in eight hours. How can the Government defend that? How can any Government not revert to the previous system, or immediately put in place a thorough review of the contracting out system, to ensure we achieve value for money and that schools are cleaned to the previous standard? I will not go into the standards issue now, although we have seen the Government fudge on the standards question.

One must be vigilant with cleaning our schools, which a few hundred thousand children pass though every day. One needs an effective cleaning process in that environment. If a student is sick or food is dropped, whatever the mess, one must have cleaners who can ensure the health and welfare of our children. We cannot accept a lower standard. Honestly, the message from departmental officers is that schools have been too clean in the past and we must accept a lower standard. The parents and I do not accept that. It is not just White Gum Valley Primary School which faces this problem. This week roughly 13 principals in the Melville district alone met and complained about this issue. The principals are not happy with the quality of cleaning in their schools. From the reports I received, the complaint was that cleaning staff were not trained. Contractors come in with partly skilled and untrained cleaners. Therefore, one cannot expect the quality of cleaning previously experienced with cleaners employed by the Education Department.

Issues have arisen at schools in many areas, such as a lack of security because untrained staff were unfamiliar with schools. On occasions parts of schools have been left unlocked overnight. I cannot vouch for such claims. I have heard reports from various schools that when contracts were taken out, thousands of dollars worth of equipment disappeared. It has been attributed to the changeover in contracting and the fact that rooms were not properly locked. There are many reasons for things going missing, but that is the story coming back. Thousands of dollars worth of equipment from training institutions disappeared at the same time as contract cleaners were introduced, resulting in a drop off in security because the contractor did not know how to properly fulfil the obligation to secure the buildings.

I have given one more outcome of this Government's contracting out policy. I reiterate, I do not have a problem with contract cleaners working in our schools. I have a problem with a Government which does not set standards and install a process which ensures that cleaners maintain that standard. This Government contracts out because of its ideology. It is not concerned about the health and welfare of our children, about getting value for the taxpayers' dollar or about the loyal employees of the Education Department being treated unfairly. The objective is for the Government to contract out at any price for its own ideological reasons. The Opposition, the people of this State and I cannot accept that. That message should be coming through loud and clear to the Government. The contracting out process has picked up 160 schools. The Government needs to look at the matter carefully and undertake a thorough review and put its house in order so our children are not put at further risk.

The Minister for Education can shoot me down in flames by tabling detailed figures of the costings and where the savings are made. I know the Minister will not do that because the system is costing more, not saving money. The Minister has the opportunity to take me to task by giving me the figures. I would appreciate that challenge because I know I would win the argument.

MR PRINCE (Albany - Minister for Health) [9.28 pm]: I am not the lead speaker for the Government on this matter; the Minister for Services will speak in time. I shall make a few remarks in respect of comments of members opposite, particularly the Leader of the Opposition who for much of his speech spoke about facility managers, multinationals and no benefits arising from the system.

I was interested to hear him quote part of a letter written to me as Minister for Health by the Master Cleaners Guild of WA (Inc). I was interested to hear much of what he had to say. It is the second time today I have heard virtually the same argument. Following a request, I met with the Master Cleaners Guild representatives at 8.00 am today to discuss the matter. At the time they told me that they had briefed the Leader of the Opposition and that he would run on this matter in some substantive way - presumably that is tonight's debate. The Leader of the Opposition largely related the points given to him by the Master Cleaners Guild.

The guild said a number of things about cleaning generally relating to contract and facility managers. It said that cleaning was highly labour intensive; in fact, 80 per cent of a cleaning contract is directed to labour costs. I make the obvious observation that whether the facility manager is a local company, an Australian company from interstate

or a multinational, it is not actually providing the labour. It is a manager. The service must be provided by someone who lives and works locally.

Mr Kobelke: Do you accept it is providing managerial services?

Mr PRINCE: I did not interrupt the member. I want to form my argument without chewing up too much time.

The result is that people are employed to perform the service. Many people are employed to perform cleaning services. In many of the other non-clinical areas dealing with hospitals, we are talking about a large labour content. It varies from stream to stream, but we are talking about high labour content services which must be provided, as opposed to the clinical areas of medicine in hospitals, particularly in imaging where huge amounts of money are tied up in capital equipment but a small labour cost is involved in providing that service.

There is a benefit because people must be employed locally to provide the service. The facility manager, of course, will enter a contract or a subcontract with an operator to provide the service. Most of the operators are local companies and firms and, in the case of cleaning, obviously these are people who are expert at doing that. The point that the Master Cleaners Guild made to me with some force this morning, among others, was that, although it had no problem with facility managers, it had a great problem with facility managers who were also facility service providers. The Leader of the Opposition tried to say that people like Serco Gardner Merchant and others - I think he gave the example of P & O Facilities Management Pty Ltd and Berkley - are one and the same; and that the manager of P & O is giving contracts to Berkley, which is the cleaning company, and thereby is shutting out others who would compete for the same work.

Mr Minson: They are not doing that.

Mr PRINCE: The Minister interjects on me, as he did on the Leader of the Opposition. He says that it is not happening. Although it was raised with me as a suspicion by the Master Cleaners Guild this morning, I have yet to hear an example or see any evidence that would support such a proposition. The loss of local business, therefore, is not proven.

We have the management of a number of non-clinical services by a facility manager, but it is essential if the services are to be provided to have subcontracts to those who can provide them. One of the objections that the guild raised with me, and which was raised by the Leader of the Opposition tonight, was that, as soon as we have a facility manager who takes on the job - as Serco Gardner Merchant has in relation to Osborne Park Hospital, which is actually the Lower North Metropolitan Health Service - we will have four services. They are food services, cleaning - clinical and non-clinical and orderly services - engineering operations and maintenance and gardens and grounds. The four are not services that, in a total sense, can be provided by a cleaning company, because cleaning companies deal with only one part of one of the streams of one of those services. That was an objection that the guild raised with me. It said that, in effect, its constituent members are prohibited from making any worthwhile bid to the facility managers for any part of the work, because they are being asked to do different things which they do not have the competence or expertise to supply by way of a service. The point was raised and I undertook to take it on board and look at it in detail and depth, because it is a matter about which I wish to think and take advice and discuss with people in the health system, particularly within the part of the system which deals with contracting and the Government Health Supply Council. Multiskilling is here to stay, everywhere; and particularly in non-clinical services, multiskilling is entirely desirable to provide the best outcomes for the operation which, ultimately, is about providing the best care and outcomes for patients. In that sense, it is vital that there be a development of businesses that provide multiskilling by way of service provision to feed the facility managers who are seeking that, because in the larger organisations in this State, whether government or non-government, that is the way most industry has gone, from the point of view of providing services with a high labour content.

The contractual exercises with the Lower North Metropolitan Health Service at Osborne Park Hospital and elsewhere is something I wish to put on the record so that no-one misquotes or misreports this again: Tenders were called for the services. I met with the staff on site on 12 June. The health service has evaluated the tenders against the selection criteria. It has awarded scores to each tender bid. On 8 August the most competitive tenderers were invited to present, first to staff and then to the evaluation committee and the expert referees. Following those presentations, the committee selected the preferred tenderer and made a recommendation to the board of management of the Lower North Metropolitan Health Service. The recommendation was that the health service enter into negotiations with Serco Gardner Merchant, the highest ranked tenderer, and whose bid was to provide all four services. The recommendation was given to the board and to the Government Health Supply Council. An undertaking had previously been given to staff that the recommendation would be made to the board by 30 August. It was done on 28 August. The board met and endorsed the evaluation committee's recommendation, which was subsequently endorsed by the health services contracts committee and the Government Health Supply Council. Therefore, there was a series of checks.

Dr Gallop: Don't you think that all that time, effort and resource would be much better spent on improving the quality of service at the Osborne Park Hospital? It was a waste of time.

Mr PRINCE: I will come to that in a moment. It was not a waste of time.

On 5 September Serco Gardner Merchant was advised that the health service wanted to enter negotiations on 9 September. Staff and relevant unions were also advised that Serco Gardner Merchant was the preferred tenderer, and that the health service was about to enter negotiations. That is now happening.

Negotiations are expected to be finalised by 27 September - in two days. There is then the completion of the business case report by 4 October, and so on. If the negotiations are successful the matter will proceed; if they fail, the health service will proceed to negotiate with the next preferred tenderer.

Dr Gallop: Can you put a cost on all of that?

Mr PRINCE: Not here and now. I do not have that information before me. The point being made by the Deputy Leader of the Opposition is two-fold, in the sense of time and cost of going through the process. Where this has been done elsewhere, there has been a saving in cost to the taxpayer in the provision of the service. The Master Cleaners Guild said to me this morning that I can reckon on a 40 per cent saving as soon as I contract out a cleaning service. That was a ballpark figure suggested at a meeting with the guild. The amount would vary from place to place and site to site, and undoubtedly it would vary between a hospital site as opposed to a school or any other cleaning site. A saving is possible. Where there is a saving and where we must make do, and do as well as we can with a finite resource - particularly in health, with one quarter of the state Budget, which is an enormous amount of money - the obligation upon us from the management point of view is to provide the best possible patient care with that resource, which means in the non-clinical service area to provide the services for the best price obtainable. If the best price can be obtained from the private sector through facility managers being engaged and services being provided through subcontracts to the private sector, that is the way to go.

That has proven to be the case in a number of major hospitals - Royal Perth Hospital, Sir Charles Gairdner Hospital and others. Although criticism may be levelled at the cost of going through the exercise and it may be said that it does not achieve anything, it has achieved much in some of the major hospitals. In the case of King Edward Memorial Hospital for Women and Princess Margaret Hospital for Children, the process was gone through. It was lengthy and exhaustive and it involved a lot work by what was ultimately the preferred tenderer and by the hospital management, executive and board. The decision the board came to was that there was no substantial saving because both of those hospitals, which are on two major sites, had so managed its cleaning, or non-clinical services, that there was no great benefit in contracting out. The board made the decision on the recommendation of the executive after going through the process not to proceed with contracting out. That decision was announced last week. That recommendation was given to me.

Dr Gallop: That is the preferred option, isn't it, for Western Australia? The difference is that the Labor Party would have that as its policy.

Mr PRINCE: No, the member should let me finish. The advice given to me was that the process had produced a result that indicated there was no great benefit. The executive determined there was no benefit. It went through all the other necessary processes. The proposal was then given to me and I agreed that, given there was no great benefit, the services should not be contracted out. The discipline imposed on that hospital as a result of having to go through the contracting out process and knowing that it was going to happen has resulted in significant efficiencies and in benefits to the patients because the non-clinical services are being provided in a very efficient way. It is not, as was said by the Leader of the Opposition, some blind ideology that was followed without any thought as to the result; it is entirely the opposite. This is outcome based and result based. It is being done because the result is better and it leads to better care for patients. I am speaking only about the hospital system.

Mr Kobelke: I realise that that is the theory. Do you have objective measures that will quantify that?

Mr PRINCE: The processes are complex. They quantify that. They involve outside referees during the process. The Bunbury, Joondalup and Peel health campuses involved lengthy and complicated processes and also involved outside independent referees, for want of a better term, observing what went on. The result in Joondalup, for example, is effectively a completely rebuilt hospital, significantly improved and expanded. Peel has virtually a new hospital, in the sense of its going from 32 beds to 110 public beds and 20 private beds. It is a collocated public-private hospital that provides the people of the area with a choice for the first time between public and private which they would not otherwise get. The result must never be forgotten. The process is extremely important. I will return to this in a minute and talk about accountability. The result for the people is the important factor and must not be forgotten, although we may debate the intricacies of the process. I do not say that we should not.

I note the comments that were reputed to the federal Ombudsman. It is simply a matter of changing legislation, if that is thought to be desirable. With regard to accountability - scrutiny from the Auditor General and the Ombudsman and so on - the use of contracts does not put taxpayers' money outside the framework of democratic accountability. Money that is allocated for a specific purpose remains allocated for that purpose. I cite the example of Joondalup, and Peel when it gets under way. Money will be allocated to those hospitals to buy services for patients. That is what is happening now in other hospitals within the government sector. They have their own budgets. They buy, in a sense for an accountability process, a certain number of services a year. The Deputy Leader of the Opposition knows that in that way there is accountability for money spent. A contracted out hospital - a Joondalup or Peel model - is based entirely on output; that is, on outcome, the number of patients treated, the methods of treatment and the types of procedures. In other words, it is a process that looks at results and that benchmarks the results against all the other hospitals of comparable nature. It is very much an accountability process that does not look just at inputs, but at results.

Dr Gallop: Would it not be conceivable that they would get less money in the year after than in the year before?

Mr PRINCE: I think it unlikely.

Dr Gallop: It is not unlikely; it is possible according to the contract.

Mr PRINCE: It is possible, but it is unlikely, given the growth in this State. Joondalup is one of the highest growth rate areas in Australia. Mandurah is the same. The contractual arrangements exist often to increase the accountability of spending within the framework because it makes conditions on the payment of money more explicit than is otherwise the case. I argue strongly, therefore, that the accountability for money and the result is better.

Dr Gallop: That is all theoretical.

Mr PRINCE: The Deputy Leader of the Opposition is the great theoretician.

Dr Gallop: I will give you my theory: Democratic accountability beats contractual accountability any day.

Mr PRINCE: There is here a melding of the two because democratic accountability is there in its full glory and contractual accountability is part and parcel of it. It is probably the best that has been invented so far. I do not say that it is perfect, because it is a human system and, therefore, is capable of being improved. The remixing of skills that is required to implement contractual arrangements has in many instances improved the skill level in the public sector, and contractual arrangements focus attention on performance and outcome. That is something that is recognised more and more across all government services, all Governments, and all levels of government - state and federal. It is the way in which Canberra speaks when it talks about the performance of services. I find it difficult to understand how the contracting out of services can lead to a major conflict of interest in the administration of a State. The Government after all is charged with ensuring that services are delivered to the community. It does not mean that government must deliver the service itself by direct employment. In many instances the clear delineation between the purchaser of a service - in this instance, the Government - and the provider of a service, whether it be public or private, helps to clarify issues in areas of conflict and accountability. I maintain that the statement I have just made is a self-evident truth in the area we are discussing.

I reject the assertions of the Deputy Leader of the Opposition in the motion before the House about effects on the health area. His logic and reasoning is incorrect. He starts from a fallacious foundation and, consequently, the motion should be defeated.

MR MINSON (Greenough - Minister for Services) [9.50 pm]: I thank members for their comments so far. A whole range of issues could be discussed tonight. However, apart from addressing the specifics that have been raised and the motion, which I will do as best I can, I want to take up some important matters raised by the Leader of the Opposition.

The first issue raised was accountability, and the question of panels was mentioned. The example cited was P & O Facilities Management Pty Ltd or another facilities management contractor. The advertisement for the contract called for expressions of interest. So, all Western Australian companies had the opportunity to tender for that job and, having replied, could have been successful in getting onto a panel. I do not think anyone would argue that that is a bad thing, provided the facilities management contract is renewed from time to time - in other words, there is ongoing competition and it is not set in concrete for ever - and the tendering process is followed each time a contract is let. If problems arise in that area, clearly it is incumbent on either the agency letting the facilities management contract, the contract and management services department that operates on behalf of agencies if they are not devolved, or at the direction of the State Supply Commission to ensure that the accountability and performance specifications are written to the details of the contract when it is advertised and when it is let.

I remind members that in the past - in some country areas it still does - the old Building Management Authority worked on panel contracts. In my electorate of Geraldton, the architects are chosen from a panel and have been for many years. The work was given alternately to the various architects, either using a benchmark or a pre-determined rate. Let us not pretend that panels have not operated in Western Australia before - they have. The question is whether they operate as they should and, if not, do the agencies or the government policing bodies - in this case the State Supply Commission - act to remedy the situation?

The picture that has been painted by members opposite is that there has been a terrible lack of accountability in this whole process. There has been a poor standard of accountability in many areas of government in the past. I do not want to make a big issue of that. However, unfortunately, there is an assumption that mistakes were not made before the contracting out process was put in place, that shoddy work was not done in a particular area and that all roads built by Main Roads Western Australia when it employed its own people were necessarily faultless and that the problems arose only when it started using contractors. That clearly is not true. Cleaners - both contractors and employees - have been operating in our schools for many years and there have been poor performances on both sides. People who try to suggest that problems with cleaning surfaced only when contracting became the norm are kidding themselves and misleading this House.

I will provide members with a couple of examples where accountability ran off the rails. When we looked at outsourcing the management of the car fleet we found a department that thought it had a certain number of cars. However, the company called in to do the review found that the department had lost many cars. It started to hunt and discovered what it thought was the number of missing cars, but to its surprise it kept finding more - in fact, I think the figure was 100 extra cars. That is not accountability and that work was done in-house. Let us not kid ourselves that accountability problems are confined to outsourcing and the private sector. When we examined the telephone system and provided telecommunications by contract, we found that we were still paying for telephone numbers that were inoperative and we were paying rent on telephones being used by non-government organisations. We were paying other people's telephone bills. If members are interested in these examples, I will provide the details. We should not kid ourselves that all was rosy before.

I will refer to my own area of disability services and family and children's services, where we have used the non-government sector for a long time. There have been no performance contracts in these areas, and in many cases millions of dollars of work has been outsourced. The Department of Family and Children's Services outsources about $40m - that is a figure off the top of my head - and no performance contracts were in place for any of those providers. The situation is similar in the disability services area. I understand that as Minister for Disability Services I am the largest distributor of funds to the non-government sector anywhere in government. I cannot remember the figure, but it is considerable. Until very recently, the concept of performance agreements for those organisations was foreign, not only to the department paying the money but also to the organisations providing the services. However, the non-government sector providers have responded terrifically. They understand that, particularly in dealing with disabled people, there must be performance contracts. Those contracts provide accountability in more ways than one - not just in financial terms but also in treatment levels.

There is no argument about contracting out. It is only a question of how much contracting is done. We are talking about quantity and about how it is done, whether it is by a facilities management arrangement or some other method. I concede that when one starts buying $6b worth of goods and services, as this State Government does, one must be very careful how one does it. One does not go through that sort of process without setting in place a rigorous regime to ensure that it is done fairly, above board, with accountability and with some long term benefits for Western Australia and the taxpayers.

We would be living in fairyland if we thought we could achieve something like that without teething problems. Certainly, from time to time some problems have arisen. The measure of the Government's performance is not just whether there were problems but whether it moves to iron out those problems. We should not kid ourselves that a Government will go from quite small contracts to contracts worth $6b without some problems. I tabled in this House last week the buying wisely policy, which has been developed over the past few months in response to comments from contractors who contract to the facilities management contractors. I do not pretend for a minute that there have not been any problems, because there have and the Government has moved to resolve them. The feedback from the document which was released has been positive.

Members opposite raised a lot of arguments and I do not have time now to launch into them. I wish to answer all the questions raised by the members who participated in the debate and I seek leave to continue my remarks at a later stage.

[Leave granted for speech to be continued.]

Debate thus adjourned.

ELECTORAL LEGISLATION AMENDMENT BILL

Committee

Resumed from 24 September. The Deputy Chairman of Committees (Dr Hames) in the Chair; Mr Shave (Parliamentary Secretary) in charge of the Bill.

Clause 26: Section 4 amended -

Progress was reported on the clause after the following amendment had been moved -

Page 31, after line 9 - To insert the following -

19. After section 175ZG insert the following -

" **Conflict of interest precludes certain gifts from being accepted**

175ZH. It is unlawful for -

(a) a political party or a person acting for a political party;

(b) a candidate in an election (including a person included in a group) or a person acting on behalf of a candidate in an election;

(c) a person included in a group in an election; or

(d) a person (not being a political party, a candidate or a group),

to receive a gift made to or for the benefit of -

(e) that party, candidate or group; or

(f) that person for the purpose of the incurring of expenditure for a political purpose,

from any person, or body of persons, whether incorporated or not, who -

(g) is engaged from outside the public sector to provide a service or services on tender or contract to the public sector; or

(h) has been engaged from outside the public sector to provide a service or services on tender or contract to the public sector at any time in the immediately preceding period of 4 years.

Penalty: $1 500 ".

Mr RIPPER: The Parliamentary Secretary's argument for not accepting this amendment was the need for consistency between the commonwealth and state regimes for the disclosure of political donations. I understand that he believes that because the proposal outlined in my amendment is not included in the commonwealth regime it should not be included in the state regime. Of course there should be consistency between the commonwealth and state regimes for the disclosure of political donations, provided it does not lead to an unnecessary weakening of the state regime. However, we must start somewhere. One way is to insert this prohibition into state legislation and negotiate with the Commonwealth for it to be inserted in its legislation. An alternative is not to do anything and at some undefined time in the future commence negotiations with the Commonwealth. If that were to occur it would take a long time before there were any restriction such as that outlined in my amendment.

The Government does not want to include in the Bill the restriction outlined in my amendment and I am sure it will not commence negotiations with the Commonwealth. To a considerable extent, the Parliamentary Secretary's argument is camouflaged for his lack of enthusiasm for the principle contained in this amendment.

My amendment would not be entirely useless as the Parliamentary Secretary argued. It is true that, by virtue of my amendment, people would be prevented from making donations to state political parties and candidates. However, they could make donations to the federal bodies associated with the state political parties and escape the prohibition outlined in my amendment. If a donation is made to a federal party, it will be disclosed under the commonwealth disclosure regime and there would be a political consequence for anyone who is contracted to the State Government and seeks to circumvent Western Australian legislation by making a donation to the federal party.

My amendment will have an impact on donations and companies contracted to the State Government, despite the fact that there is an opportunity for a loophole. There is a political sanction for those people who seek to take advantage

of the opportunity which the Parliamentary Secretary outlined to get around the amendment. It is a serious matter. The Deputy Leader of the Opposition said that the State is spending approximately $1b each year of public money on contractors who provide services to the public sector. They have a very direct commercial interest in policies relating to that sort of contracting out and there is every opportunity for them, under existing arrangements, to seek to influence public policy by making donations to one or other of the major political parties.

In a way it is as serious as the issue of donations from corporations with which the Government is engaging in business ventures as outlined by the Royal Commission into Commercial Activities of Government and Other Matters. The royal commission examined the seriousness of the conflict of interest when the Government is involved in business and its business partners are making donations to its political party. When business is involved in government through contracting out, there is also a serious conflict of interest and there should not be an opportunity for people who seek to influence policy making decisions to make donations to political parties.

Mr SHAVE: I responded to most of the comments raised by the member for Belmont last night. He said that I was less than enthusiastic towards his amendment. He is not being entirely fair. I made the point that people should be free to make political donations. I did draw the analogy between the union movement making large donations to the Labor Party and the union receiving grants for traineeships and other costs it might incur along the way. The member is getting overly concerned with this issue. I would be most concerned if the public did not know that the donations were being made. If there was no requirement to have the donation openly disclosed, it would be wrong. For example, if this amendment were accepted and a payment were made to a federal party by a firm operating in Western Australia, as outlined by the member for Victoria Park last night, one of the problems confronting a contractor if he were trying to buy favour with the Government is that Governments come and go. If we were to assume that someone was contracting to the Liberal Government and was paying large sums to the party and winning various contracts, political parties would be checking those political finance disclosures because they would be concerned that corruption might be occurring.

If I were contracting to the State Government and paying substantial amounts of money into its election campaign, at the end of that Government's term I would know that the incoming Government would not look favourably on that. It would be a short term policy for a contractor or business person to try to buy political favours from an incumbent Government. I am not saying that the Labor Party if it came to office after the next election - God forbid it would happen! - would punish those contractors. However, it would always be open to a Government to say, "We are not accusing you of anything, but everything has not been equitable and things should be shared around." It might be even more severe on the tendering process.

The critical issues are the donations and the declaration. That declaration brings people out in the open. Corruption flourishes where issues are underhanded and we do not know what people are doing. Although the Government will not accept this amendment, and while members opposite say that I am less than enthusiastic, I am certainly concerned that people have the right to donate to a political party if they wish. We would not want that to be seen as buying political favour. However, if that were done in an unreasonable manner, the donor would pay the consequences.

Mr RIPPER: The Parliamentary Secretary has as good as admitted that donations will influence decisions made by Governments. I do not think that is the main problem. I am not suggesting this primarily as a device to avoid corruption, although I can see that there is potential for corruption. I am talking about the direction which public policy takes. What the Government is building up with contracting out is a huge vested interest in the direction of public policy. People have a commercial interest in a particular type of government decision being made. I am not talking only about decisions to award contracts to particular companies, I am talking about decisions to adopt, for example, rail transport as the preferred public transport mode rather than bus transport. I am talking about those major policy decisions that will influence the prospects for whole industries that have developed around contracting out. I am not talking about an advantage that might be given to cleaning company A over cleaning company B; I am talking about how the cleaning industry might feel about a particular government decision with regard to facilities management, for example.

An industry might have an interest in making donations to one political party or another. For example, it would be hard to show corruption if the cleaning industry as a whole made substantial political donations to one side of politics rather than the other. Nevertheless, there might be an unhealthy influence on the direction of public policy. The Government might make decisions, for example, about the cleaning of schools that would advantage the private cleaning industry and disadvantage those who would otherwise get jobs in the public sector as day labour cleaners. That is the issue I am talking about, and I do not think the Parliamentary Secretary has dealt with that in his response to my remarks.

Amendment put and a division taken with the following result -

Ayes (18)

Mr Catania	Mrs Henderson	Mr Ripper
Mr Cunningham	Mr Kobelke	Mrs Roberts
Dr Edwards	Mr Leahy	Mr D.L. Smith
Dr Gallop	Mr Marlborough	Mr Thomas
Mr Graham	Mr McGinty	Dr Watson
Mr Grill	Mr Riebeling	Ms Warnock *(Teller)*

Noes (27)

Mr Ainsworth	Mr Kierath	Mr Shave
Mr C.J. Barnett	Mr Lewis	Mr W. Smith
Mr Blaikie	Mr McNee	Mr Strickland
Mr Board	Mr Minson	Mr Trenorden
Mr Bradshaw	Mr Nicholls	Mr Tubby
Dr Constable	Mr Osborne	Dr Turnbull
Mr Cowan	Mrs Parker	Mrs van de Klashorst
Mrs Edwardes	Mr Pendal	Mr Wiese
Mr Johnson	Mr Prince	Mr Bloffwitch *(Teller)*

Pairs

Mrs Hallahan	Mr Court
Mr Bridge	Mr Omodei
Mr M. Barnett	Mr House
Ms Anwyl	Mr Marshall
Mr Brown	Mr Day

Amendment thus negatived.

Mr RIPPER: I move -

Page 31, after line 9 - To insert the following -

20. After section 175ZH insert the following -

"Overseas donations precluded

175ZI. It is unlawful for -

(a) a political party or a person acting for a political party;

(b) a candidate in an election (including a person included in a group) or a person acting on behalf of a candidate in an election;

(c) a person included in a group in an election; or

(d) a person (not being a political party, a candidate or a group),

to receive a gift made to or for the benefit of

(e) that party, candidate or group; or

(f) that person for the purpose of the incurring of expenditure for a political purpose,

from any person, or body of persons, whether incorporated or not, who is not a citizen of Australia and is not a resident in Australia.

Penalty: $1 500 ".

The amendment will add a new section to the Act to prevent political parties and candidates receiving political donations from overseas sources. This is not aimed at people who are not citizens of this country, but who happen to be resident here, or at people who happen to be citizens of this country, but not resident here. We want to prevent donations being made by people who have no connection to this country. The Opposition does not see why our political system should be funded by people who have no concern for the public interest in Western Australia. These people may have a concern to obtain some advantage from Western Australia, but as they are neither citizens nor residents of this State or of this country, it is unlikely that such donors would have any concern for the overall public

interest. There is a possibility that wealthy, overseas interests might try to influence politics in this State. We should make a very clear statement that political processes in this State are not for sale to any overseas bidder; that the only people who have a right to participate in our political processes in Western Australia are those who are either citizens or residents of this country. I know the Government has already indicated that it will not support this amendment, but I am interested to hear the reasons it thinks this eminently reasonable proposition should not be included in the legislation.

Dr GALLOP: It is certainly the case that the definition of a nation or of a political system should involve a clear concept of autonomy. With increasing globalisation in the world in which we live many companies are not based in one place, but spread their tentacles overseas - we used to call them multinational companies - and operate everywhere and anywhere at any time. They do not have a base. Even within that system, a nation must be defined somehow. That which defines a nation is made up of its political system. We would hope it is a democratic system; in other words, the citizens within the jurisdiction have the right and ability to determine the course of events for their country, or local government or State Government. That is a very important principle. At the level of principle the member for Belmont has come up with a very strong argument; that is, those people who are involved in politics should be citizens of, or residents in, our State, rather than overseas corporations or business people. That accords very well with the concept of an independent political system. The member for Belmont has come up with a very good argument for the level of principle.

It may be that there are practical problems with the suggestion that he has posed. However, I do not think those problems should override the argument of principle. If there are practical problems, rather like the issue of donations from contractors, they must be surmounted in some way by the overseas corporation or the overseas business person; in other words, they would represent a barrier to that person participating in the political system by the donation of money. In that sense it would provide a very useful framework within which we could understand the rights and responsibilities of people who bring in their money from overseas, as opposed to the rights and responsibilities of people and companies that are resident here, are based here and are our citizens.

There would be practical difficulties, but the message we would send out is that the political system would be ours, subject to our own processes and, inasmuch as overseas money and influence comes into this country, it would be treated purely in terms of the public interest of any investment proposal or whatever. The notion that somehow we would sacrifice our own interests to overseas companies by allowing them to purchase influence through donations would be looked upon in a very negative way by the community. In the final analysis we must talk about fundamental autonomy as a political system and as a nation.

Mr SHAVE: As I pointed out during debate on the previous clause, the Government will not agree to this amendment. The member for Victoria Park is well aware that there are practical problems associated with this proposal. The intent on the part of the member for Belmont is admirable in some areas. When making changes like this we must determine the problems that will arise from all of those practical issues. We need only look at the debate we have had on the political disclosure legislation during the past two weeks and the problems that have been discussed about that section of the Act relating to proclamation dates to realise it is most unwise to rush into these sorts of proposals without having evaluated fully the problems that can occur. The Government would not want to find itself in the position in which it is now - trying to sort out the mess that was created when the previous Government rushed through this legislation in 1992-93.

Dr Gallop: You imposed it on us.

Mr SHAVE: As I understand it, Hon Joe Berinson introduced the amendments, but we will not go into that.

Dr Gallop: You initiated them and we put a shape to them. We tried to help you out.

Mr SHAVE: The point is that the shape did not work too well. We had 13 years of a federal Labor Government. Knowing how passionately it felt about this issue, in 13 years it did not see fit to amend the federal legislation about these donations. That must send a message to people. The Federal Government would have had lawyers and other people looking at this issue around the clock. I do not think it can be achieved practically. Even if it could be achieved practically at a state level, it could not be achieved at a federal level.

Dr Gallop: Do you think it is a good thing that overseas corporations invest in our political process?

Mr SHAVE: I am happy to canvas that area. Let us just take the example of a business person who is operating in Western Australia, who may have business interests in Singapore or somewhere else. If he is standing as a candidate at an election, and one of his business associates overseas wanted to fund him in his venture, does the member think it would be fair and reasonable that that Western Australian business person should be prohibited from having the support of his associate?

Dr Gallop interjected.

Mr SHAVE: I do not think it is fair and reasonable and the Government would want to evaluate that before it agreed to it. I understand what the member for Belmont is trying to achieve, but the Government will not support this amendment.

Mr RIPPER: The Parliamentary Secretary has just showed himself to be a true conservative. He is a worthy member of the united right. Nobody else but a true conservative could say that this is a good idea; the motives are honourable, but we want to be careful that we do not rush into it just in case there might be some problems.

Dr Gallop: Tell us what his problem was. It was that a mate of a businessman might not be able to help out with his campaign. That is not a problem; it is a statement of fact.

Mr RIPPER: That is the event we are trying to prevent with this sort of amendment. The mate in Singapore is neither a resident nor a citizen and has no particular connection to the public interest of this State. He has only an individual interest in the success of his mate.

Mr Shave: Some people donate to political campaigns to support the candidate.

Mr RIPPER: People who are residents or citizens of this country are affected by things which are contrary to the public interest of the State, so they have at least a marginal interest in the overall public benefit, even if they put their private benefit ahead of it; but someone who -

Mr Shave: If my brother was living in Singapore, are you saying he should not support me?

Mr RIPPER: Presumably the Parliamentary Secretary's brother would be an Australian citizen.

Mr Shave: Not necessarily.

Mr RIPPER: In the Parliamentary Secretary's case, I think he would be.

Mr Shave: In my case, yes, but not necessarily.

Mr RIPPER: The Parliamentary Secretary puts forwards an interesting argument, but the brother of an Australian citizen, who is not a citizen or resident of this country, is a private connection and would be making a donation for a private interest; the public interest of this State would have no relevance to that person. That is why there should not be a provision for overseas donations. Even if the Parliamentary Secretary would like to allow a relative overseas to make a donation, the overall balance of the argument is in favour of preventing overseas donations.

Mr Shave: We discriminate against minorities, do we?

Mr RIPPER: No, but if we have a choice between allowing or not allowing overseas donations and we take the option of allowing overseas donations, we may have donations from triads in Hong Kong, Taiwanese companies, the Kuomintang, or companies based in the Channel Islands. However, if under the other option we ban all overseas donations, a small number of people who are related to Australian citizens who are standing in elections may not be able to make a donation, but we will prevent the greater evil. Therefore, I propose that we ban overseas donations.

Mr Shave: Why not support hanging? We will chop off everyone's head, and if a few of those people are innocent, too bad!

Mr RIPPER: I do not think it is a horrendous problem that the odd relative may not be able to make a donation to an Australian citizen. The negative that I am trying to counteract far outweighs the trivial example given by the Parliamentary Secretary.

Dr GALLOP: It is interesting that the Parliamentary Secretary did not bother to talk about corporations; all he was interested in was that a person might not be able to donate to a relative. The real issue is that the only interest of overseas corporations that come to Australia and are not resident is to make a return for their shareholders. We hope they will abide by the rules of our land, and the evidence indicates that most do, but when it comes to purchasing political influence through donations to the political process, we must question the way in which our political system is working. Why have a political system based upon the concept of a nation if we do not have some pride in our autonomy? If we have no concept of a nation, a state or a jurisdiction, fine, let it all flow in and let it all flow out; we might as well not bother trying to develop the concept of an interest for our nation or State, or whatever.

If the Parliamentary Secretary thinks it is perfectly acceptable for overseas money to play a significant role in the political process in this country, he is out of tune with public opinion. One of the big issues that we will have to face increasingly is the control that is exercised over our means of communication by interests that have no relationship to Australia. We are seeing the increasing standardisation of all forms of entertainment, and the community has had

enough of that; it wants a bit of variety, and the local content that results from protecting institutions like the Australian Broadcasting Corporation and the Special Broadcasting Service, which are currently under attack from the Federal Government.

In our view, the State and its citizens should be in charge of and fund their political process, and, as much as is possible within the increasingly interrelated world in which we live, we should stand up and affirm our pride in our citizenship.

Mr RIPPER: The Parliamentary Secretary was about to get to his feet; perhaps he was about to elaborate on his example of relatives making donations. I want to put another question to him that he might cover in his remarks. Would it be satisfactory or appropriate for Colonel Gaddafi to donate to a political candidate or party contesting a Western Australian election?

Mr Prince: He has donated to some organisations in Australia.

Mr RIPPER: That example is relevant. That Libyan regime has sought to influence political developments in other jurisdictions. Should such a regime be allowed to make donations to candidates or parties contesting a Western Australian election? What about Sinn Fein? Gerry Adams is seeking to come to Australia. If Gerry Adams decided that he would like to influence the Australian political process and that Sinn Fein could offer some financial assistance to sympathetic candidates in Australian or Western Australian elections, would that be appropriate?

Mr SHAVE: If Sinn Fein wanted to do that, it could do it now. If this amendment were accepted - it will not be - it would still have every opportunity to donate at a federal level; so we would not be able to stop Gerry Adams, Colonel Gaddafi, or any one of those types of people from donating to political parties in Australia if they wanted to do that. If they wanted to donate to a political party, I would be more than happy if they did not donate to the Liberal Party. It would not surprise me that if they had a choice between donating to the Liberal Party and the Labor Party, they chose the Labor Party.

Dr GALLOP: What a stupid comment! Let us describe the world according to the Parliamentary Secretary for Electoral Affairs. There are many relatives of residents of Australia, because we are basically an immigrant country. Many overseas corporations are operating in Australia, although we probably have fewer today than in the 1950s and 1960s, when many overseas regimes had an interest in Australia's foreign policy. We have this nice little mixture of relatives, regimes and corporations that can all line up and according to the Parliamentary Secretary he is quite happy for them to invest in the Australian political process.

Mr Shave: They already can. You understand that but you are not conceding it, and you are not attempting to change it.

Dr GALLOP: Yes we are. We want to change it. The way that federalism works is that once change is introduced in one State it tends to filter through and be introduced in other States. As far as the Parliamentary Secretary is concerned, regimes, relatives and corporations can all line up and invest in the political process in Australia. The Parliamentary Secretary has no problem with that and sees no undermining of our autonomy and no problem with the ability of the Australian population to guarantee that the outcomes will be in the interests of the people who live here and not of others from overseas. If people reflect on that, they will see the argument of the Parliamentary Secretary is silly. As the member for Belmont said, the Parliamentary Secretary took one small example of a relative in Singapore and tried to build on that a general argument. However, as soon as we go into a general argument we find a problem with preserving the autonomy of our political system. I would be surprised if members opposite really agreed with the Parliamentary Secretary on this. Sometimes when Ministers are at the Table, they can respond to proposals put up by the Opposition. I do not think the member for Geraldton would like a lot of overseas money coming into our political process.

Mr Bloffwitch: I would not, but most of the major companies have overseas interests. Let us assume that the local Coca-Cola Amatil company decides to give me $200, that I am well respected in the area and I take it in good faith; you are saying that I should be prosecuted.

Dr GALLOP: No. I am saying that there should not be any donations from overseas into our political system.

Mr Johnson: You are saying that my brother who lives in England cannot send me any money.

Dr GALLOP: That is right.

The CHAIRMAN: Order! The member is not in his chair.

Dr GALLOP: What is put forward is not unreasonable. They do in Quebec. -

Mr Shave: You said it is impractical and that everyone must change the notion.

Dr GALLOP: No I did not.

Mr Shave: You can see that in the *Hansard*.

Dr GALLOP: What I meant by impractical is this: Some people might find a way around it, just as they would any legislation. That does not mean the legislation is bad. Legislation does not guarantee obedience; all it does is to set up a disincentive to a certain form of behaviour. History is full of examples where legislation has not achieved 100 per cent results. That does not mean we should not have it. I am sure the Parliamentary Secretary would agree with that proposition. Many jurisdictions in the world insist on this type of clause. It does not seem to do them any harm. It is certainly a sign of self-respect to adopt such a procedure.

Mr SHAVE: I did not intend to take this debate any further, but the member for Belmont has bought up the question of Mr Gaddafi. He asked me if Mr Gaddafi or Sinn Fein visited Australia and wanted to donate to the Western Australian Labor Party -

Dr Gallop interjected.

Mr SHAVE: - or Liberal Party. I am being evenhanded. Do not jump; just sit quietly! If either of those political parties were silly enough to accept a donation from either Mr Gaddafi or Sinn Fein, it would be political suicide. Once again we get back to disclosure -

Dr Gallop: Mrs Thatcher did not think it was suicide to take money from the owner of Harrods. The Tory Party takes millions from people overseas.

Mr SHAVE: I do not know the situation with Harrods. I am saying that if Mr Gaddafi was thinking of giving $5 000, $50 000 or $5m to the Labor Party or the Liberal Party in Western Australia, assuming that he did not do it in a covert matter, it would be disclosed. If either that person or that organisation were to do that, the cheque would be sent back.

Mr RIPPER: The Parliamentary Secretary said that it should be legal for people like Mr Gaddafi and organisations like Sinn Fein to make donations to parties contesting Western Australian elections -

Mr Shave: It is already legal.

Mr RIPPER: It is already legal but my amendment seeks to change the law.

Mr Shave: It does not change the situation.

Mr RIPPER: The Parliamentary Secretary thinks that because a donation may be made to an associated federal body, that would be legal. We are back to the same argument that we had with the previous amendment; that there must be consistency between commonwealth and state regimes.

Mr Shave: That is absolutely right.

Mr RIPPER: I, too, like the idea of consistency for disclosure, but I also like the idea of improvements to the regimes. There will not be any improvement if they have to remain constantly and absolutely consistent with each other. If there is to be an improvement, there must be a time when either the state or commonwealth legislation moves ahead and the other one has to catch up. Even if we are acting by agreement, a period will occur when they will not be totally consistent. We must put the amendment into the legislation and then talk to the Commonwealth about it changing its laws. There would be wide support for a change like this, if we were to put it into our law and then approach the Commonwealth. I do not think the Parliamentary Secretary has made out his case. As the Deputy Leader of the Opposition said, it is a matter of our ownership of our own political system and it is a matter of our self-respect. Do we want people with no connection with this country to have an influence on our political process? Will we say to overseas people, "Our political processes are bizarre; come along and make a large political donation and you will have access, even if what you want is quite contrary to the public interest of Western Australia"? We should not be saying that. We must say that we have a political process that has integrity and cannot be influenced by large donations, and it belongs to the people of Western Australia, and only those people who are citizens or residents of this country have a right to participate and, in particular, the right to participate by making donations.

Dr GALLOP: I checked on the situation in other jurisdictions. I have the report of the Canadian Royal Commission on Electoral Reform and Party Financing, Volume One. It contains a section on contributions from foreign sources. That Canadian royal commission's study was the most comprehensive one on electoral finances undertaken in any democratic country and was broadly based. I will read recommendation 1.7.12.

> We recommend that
>
> (a) political contributions from foreign sources be banned and that foreign sources be defined as:

(1) any individual who is not a Canadian citizen, permanent resident or landed immigrant;
(2) any corporation that is foreign controlled, and that a corporation be considered foreign controlled if a majority of its voting shares are held by residents of foreign countries or by corporations that are foreign controlled;
(3) any trade union that does not hold bargaining rights for employees in Canada; and
(4) any foreign political party or Government;

There are other parts to the recommendation.

This was a considered conclusion. Conservatives, Liberals and New Democratic Party people were involved on that royal commission. Their considered conclusion was that that should be effective. I quote -

> Contributions from foreign sources are banned in many jurisdictions. U.S. electoral law prohibits contributions from "foreign nationals", which includes non-citizens, unless they have permanent residence in the United States, as well as foreign governments, foreign political parties and businesses organized under the laws of or having their principal place of business in a foreign country. Foreign nationals may not establish a political action committee. In France, contributions to legislative candidates from foreign legal entities and foreign states are not allowed. German electoral law forbids any contributions exceeding DM1000 (about $800 Canadian) from foreign sources.
>
> Four Canadian provinces have restrictions on contributions from outside the province. In Quebec, only eligible voters may make contributions, thereby precluding contributions from outside the province, except from those eligible electors living outside Quebec. The Ontario *Election Finances Act, 1986* states that parties and candidates must not "knowingly accept contributions from any person normally resident outside Ontario, from any corporation that does not carry on business in Ontario or from a trade union" that does not hold bargaining rights for employees in Ontario. Similarly, in Alberta, corporate or union contributions from outside the province are prohibited. In New Brunswick, only unions with bargaining rights in the province and corporations that carry on business in the province may donate.

I mention all that to indicate that what the member for Belmont has proposed is not out of the ordinary. It certainly has been utilised in North America as we have seen and was the considered recommendation of what I believe to be the most comprehensive study of election finance anywhere in the democratic world.

Amendment put and a division taken with the following result -

Ayes (18)

Ms Anwyl	Mr Grill	Mr Riebeling
Mr Brown	Mrs Henderson	Mr Ripper
Mr Cunningham	Mr Kobelke	Mrs Roberts
Dr Edwards	Mr Leahy	Mr D.L. Smith
Dr Gallop	Mr Marlborough	Dr Watson
Mr Graham	Mr McGinty	Ms Warnock *(Teller)*

Noes (25)

Mr Ainsworth	Mr Johnson	Mr Shave
Mr C.J. Barnett	Mr Kierath	Mr Strickland
Mr Blaikie	Mr Lewis	Mr Trenorden
Mr Board	Mr McNee	Mr Tubby
Mr Bradshaw	Mr Minson	Dr Turnbull
Dr Constable	Mr Nicholls	Mrs van de Klashorst
Mr Cowan	Mr Osborne	Mr Wiese
Mrs Edwardes	Mrs Parker	Mr Bloffwitch *(Teller)*
	Mr Prince	

Pairs

Mrs Hallahan	Mr Court
Mr Bridge	Mr Marshall
Mr M. Barnett	Mr Day

Amendment thus negatived.

Mr RIPPER: Will the Parliamentary Secretary explain the meaning of that part of clause 26 that amends section 175N of the principal Bill? At page 23 proposed subsection (4) is worded strangely and it appears that in working out whether gifts should be declared and in aggregating gifts below the threshold, an amount or value less than

one-third of the specified amount need not be counted. If the specified amount is $1 500, an amount less than $500 need not be counted for the purpose of aggregation. By my reading of the clause it will mean that a person could make a large number of donations each of $499 and not be caught by either the threshold or the aggregation provisions. Therefore, those donations would not be subject to disclosure. Will the Parliamentary Secretary clearly outline his advice on the workings of this part of the Bill?

Mr SHAVE: My advice is that it is identical to the commonwealth legislation and it is specifically worded in that way to exclude minor donations.

Mr Ripper: Is my explanation therefore correct that a person could make 100 donations of $499 and not be subjected to the disclosure legislation?

Mr SHAVE: The member is correct. The details of the donations would have to be disclosed in the party's return, but the name of the donor would not be disclosed.

Mr RIPPER: Does the Parliamentary Secretary consider a weakness of the disclosure scheme to be that while a party could reveal the total amount of the donation, the name of the donor, who could be quite a large donor via this mechanism that I have outlined, would not be made known? There could be unlimited donations from that donor of $499 each and no-one would ever know that that person donated to that political party. It seems to be an enormous loophole. If it is consistent with the commonwealth legislation, it should be changed in both jurisdictions.

Mr SHAVE: So that we can use the same terms and have uniformity with the commonwealth provisions, we have to have a similar provision. This once again gets back to the issue raised by the member for Victoria Park. The only way we will achieve consistency is to get the States and the Commonwealth to resolve the issue.

Mr RIPPER: The Parliamentary Secretary has virtually conceded there is a huge loophole in the disclosure provisions for political donations in this country. He drew attention to the need for consistency between state and commonwealth regimes. Will this State Government, if it remains in office, approach the Commonwealth Government for some mutually agreed improvements to the disclosure regime? The Parliamentary Secretary has responded to every amendment we have suggested by saying the motives are good and the idea is not bad; however, it is not consistent with the commonwealth legislation and therefore the Government will not accept it. A case is building up for this Government, or whatever Government is elected at the election, to approach the Commonwealth for a mutually agreed disclosure scheme. Does the Parliamentary Secretary agree? Will the Government make such an approach if it is re-elected at the next election?

Mr SHAVE: The Government would like to see the legislation in effect. If there were a wholesale abuse of the system, the Government would not have any problem discussing the matter with the Federal Government in an attempt to resolve those clauses to eliminate that sort of thing happening.

Mr Ripper: Will you make that approach?

Mr SHAVE: I cannot make that decision on behalf of the Premier. That is unfair. Also, I am not in the Cabinet. That is a decision for the Premier and the Cabinet to make. However, if there were wholesale abuses of the system and that loophole existed in state and federal legislation, it would be my recommendation to the Premier and to Cabinet to do something about it.

Mr KOBELKE: I did not find the Parliamentary Secretary's answer very comforting. This seems to suggest that the donations by the same person do not have to be aggregated if the parts of that donation are less than one-third of the specified amount; that is, $1 500. If the donations were made in lots of $499, that individual could make as many donations as he wished. I cannot find any part of the Act or the amending Bill which will put a time constraint on it. Therefore, a person could write a hundred cheques for $499 dollars, making a total of $49 900, and he would not be caught by this provision. Some other provision in the Act may cover this. If so, I would like the Minister to point that out. If that is not the case, why cannot the figure of one-third be reduced; for example, one-tenth? That would mean if the donations were less than $150, they would not be aggregated to get the total donation from that person. That would not be difficult. It may run into other problems. However, because it is not uniform with commonwealth legislation does not seem to pose a problem. Is my interpretation correct? If I am correct, will the Parliamentary Secretary explain why we cannot reduce that fraction from one-third to one-tenth?

Mr SHAVE: The member's interpretation is correct. The intent is to allow us to use the same forms that are used by the federal people. We could vary the amount. However, if we make it one-tenth, it will mean more cheques will be written.

Mr Kobelke: But there is a practicality.

Mr SHAVE: I have told the member for Belmont that, if the Government found the system was being abused in the manner referred to by the member, the Government would take action. However, that action would have to be taken in conjunction with the Federal Government. Once again, if people want to get around the provisions, they will make the payment to the Federal Government and not to the State Government. Therefore, it must be done in conjunction with the Federal Government.

Mr KOBELKE: Section 175N relates to the annual disclosure of gifts and other income received by political parties. It is proposed that instead of the report being provided on 30 September it be provided on 30 November. Why is that change proposed in the Bill?

Mr SHAVE: That date has been chosen so that it follows the federal return being put in. Previously that was not the case. The federal return is provided 16 weeks after the end of the financial year. That date has been chosen so that the federal return can be lodged prior to the state return being lodged.

Mr Kobelke: Why does one follow the other?

Mr SHAVE: The federal return is sufficient for our purposes. Therefore, the federal return can be prepared and, assuming it corresponds, a copy of the same return can be given to the State Electoral Commission.

Mr RIPPER: This clause contains many definitions. I take it that each definition is absolutely consistent with commonwealth legislation. Are they identical?

Mr SHAVE: Yes. They are.

Mr KOBELKE: I refer to the deletion at the bottom of page 22 of the Bill of the definitions of "state trade union" and "trade union". How are trade unions affected by this legislation? This clause begins with a definition of "associated entity". Would that pick up trade unions? There are examples of organisations, such as the 500 Club, which clearly have an association with a political party but they may not meet the definitions in paragraphs (a) and (b) under this definition. I do not know how wide the net is cast. Obviously a subbranch of a political party and a lobby group that publicly proclaimed that it supported a political party would be included, but I am not sure about a trade union that is not affiliated to the Labor Party. Obviously, a trade union affiliated to the Labor Party would have a direct connection, but from time to time unions run campaigns against the Labor Party so there is not necessarily a connection between the two, although there is in the nature of the organisations. Similarly, the 500 Club donates to the Liberal Party and the National Party and clearly has much in common with both political parties. Therefore, it might be argued that it is an independent body. What organisations will be captured by the definition of associated entity, and what is the effect of the removal of the definitions referred to?

Mr SHAVE: If a union operated purely for the benefit of a political party, it would be encompassed by the definition of associated entity.

Mr Kobelke: That would not apply in most cases.

Mr SHAVE: I think it would not apply in all cases, because that is not the reason for the union. Unions are not picked up under this clause. The definitions referred to have been deleted because when the legal people went through the Bill they discovered that these definitions were no longer relevant.

Mr KOBELKE: Are trade unions captured in any other part of the Bill?

Mr SHAVE: No.

Clause put and passed.

Clauses 26 to 31 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Leave granted to proceed forthwith to the third reading.

MR SHAVE (Melville - Parliamentary Secretary) [11.16 pm]: I move -

That the Bill be now read a third time.

MR RIPPER (Belmont) [11.17 pm]: The Opposition supports the legislation. It regrets that the Government has been tardy in bringing it to the House. This legislation was on the agenda for the Government immediately it assumed office because it had before it the Electoral Amendment (Political Finance) Act 1992, which had been passed by both Houses of Parliament but not proclaimed by the previous Government, following advice from the Crown Solicitor that provisions inserted at the instigation of the coalition Opposition would have prevented the dissemination of essential government information. The Government had the opportunity at the beginning of its term of office to examine that advice and determine whether it should be accepted, or to seek further advice on ways in which the alleged technical deficiencies of the legislation could be remedied. It has been apparent from the Committee debate that the Government did not seek any further advice from the Crown Solicitor whatsoever. It is apparent from the debate that the Government has not been interested in overcoming what were regarded as the technical deficiencies of the Electoral Amendment (Political Finance) Bill 1992.

By-elections have been held in this State with candidates standing who were not from the major parties, and who could have and should have been covered by political disclosure legislation. Fortunately, the Government's tardiness has been mitigated to some extent by the existence of commonwealth legislation requiring the disclosure of political donations. Since the major political parties operate at state and commonwealth levels, there has been some amelioration of what would otherwise have been a quite scandalous situation, without adequate provision for the disclosure of political donations in this State. The Government has had three and a half years, and this legislation is dealt with in the midst of speculation about the date of the next state election.

There was considerable debate in Committee on two clauses of this legislation, which relate to the commencement of the provisions in the Bill. Two clauses provide for provisions of the Bill to be proclaimed selectively. It is very important that the House be advised during the third reading debate of the Government's intention regarding the proclamation of this legislation. The Parliamentary Secretary in his third reading response must advise when the various provisions of this legislation will come into effect. The Opposition considers that all of the legislation should be in effect before the next State election. The Government should subject itself to the restrictions on government advertising and travel in the pre-election period it wanted, when in opposition, to impose on the previous Government.

The Government should not proceed to an election without the proclamation of all the provisions of this legislation. If the Government finds itself politically inconvenienced by the need to proclaim this legislation, it has only itself to blame. This legislation could have been brought to the Parliament much earlier. It is an indication of the lack of regard of the Government for the recommendations of the Royal Commission into Commercial Activities of Government and Other Matters, the recommendations of the Commission on Government and the general demand for improved accountability that it has taken so long to get this legislation to the Parliament. Also, the way it proposes to deal with the proclamation of the legislation is also indicative of that lack of concern for these matters.

The Opposition supports this legislation, which it welcomes as overdue. It regrets that the Government is still not playing straight down the line with the legislation and is still mucking about with funny proclamation clauses and seeking to avoid legislation with practical effect. Members opposite, when in opposition, thought that these restrictions should apply to Governments.

The Opposition regrets that the Government has not seen fit to accept any of the amendments it proposed in Committee. The Government has argued that a consistency is needed with commonwealth legislation. However, in adopting that argument it is shutting off any chance for improvement to disclosure legislation. Someone must take the lead. This Government is saying, "It will not be us. We will not lead with an improved regime for political donations disclosure in this country." The Government will wait for a prolonged process between the Commonwealth and the States to produce a result. It is not prepared to initiate that process.

Debate on this legislation has shown the need for improvement. Issues are outstanding. As a country we need to deal with the question of overseas donations to political parties and candidates. Also, with the substantial increase in the phenomenon of contracting out, all jurisdictions must deal with the substantial potential for conflict of interest which that creates. We are building up a huge reservoir of companies with a direct commercial interest in making a donation to influence our political processes. That is a problem with which we must come to terms in this State, as will other jurisdictions. We are disappointed that this Government would not have this jurisdiction lead on these issues. However, they must be dealt with in the future.

DR GALLOP (Victoria Park - Deputy Leader of the Opposition) [11.25 pm]: We finally are reaching the stage where Western Australia will have legislation for disclosure of political donations. This is a case study in the way progressive legislation comes into operation in Western Australia. Conservative parties - which always have control over the Legislative Council, and since 1993 have had control over this Chamber as well - have been dragged kicking and screaming to this result. When the legislation was introduced into the Parliament in 1992, I remember only too well the then spokesman on electoral matters, the member for Marmion, sitting on the end of the opposition front

bench raging against disclosure legislation as an infringement on political liberty. It appeared at that time that members opposite had no support at all for disclosure of political donation legislation.

Therefore, it did not surprise me at all that when members opposite came to government, the process was delayed. It has only been as a result of the Commission on Government increasing the pressure, and the Government realising that its accountability record was potentially damaging to it politically, that the Government was dragged into the Parliament with legislation it did not like.

The Opposition approves of the Government's additions to the 1992 legislation, particularly the provision which makes it possible for organisations like political action committees to declare their donations as well as political parties and candidates. The bottom line is the fundamental issue of government advertising and travel during a pre-election period. We have no guarantee that the legislation will be proclaimed, therefore, the State of Western Australian will still not have a regulatory framework based on law to deal with that important pre-election period when the Executive has so much potential power over other participants in the election process. That is a pity. It should have been possible to sort out any problems, if there were any, in the clauses put together on that topic back in 1992.

The second problem is the increased deposit required from candidates, which is unnecessarily restrictive on people's rights to participate in the political process. History has moved on since 1992. The $1b contracting out policy of this Government necessitates a response regarding its impact on political finances. We moved a clause which would have made it illegal for contractors to donate to political parties and candidates. That was rejected by the Government in Committee. Finally, we moved an amendment which would have seen a banning of donations from overseas sources. This amendment was based on sensible arguments used overseas, most prominently by the Canadian royal commission into political finances, the best inquiry held into that subject.

I have four misgivings about this legislation: First, we are passing a Bill, an important clause of which will not proclaimed. Secondly, the Bill results in an increased deposit required for participation in politics. Thirdly, the $1b contracting out policy is not being considered in relation to its impact on political financial donations. Fourthly, no attempt has been made to ban donations from overseas sources. With those four misgivings, the Opposition is only too pleased to see this legislation pass through the Parliament. We initiated it and took it through both Houses of Parliament during our term in government.

In the years since this Government came to office we have continued to support and embrace these principles. We always have. It is a pity is has taken so long. The fact that it has taken so long is really a case study in Western Australian politics. This is progressive and necessary legislation, but this Legislature has had to be dragged kicking and screaming to make that which is a normal procedure in so many democracies a part of our system of government. That reflects the resistance of the conservative parties to measures such as this. It has nothing to do with the commitment of members on this side of the House.

MR SHAVE (Melville - Parliamentary Secretary) [11.30 pm]: I thank members who have participated in debate. I thank the Opposition for its overall support of the Bill. This is good legislation, and it will go a long way towards improving our electoral system. As I said to the member for Victoria Park either late last week or early this week, the Government will be establishing a code of conduct for Ministers and other people regarding travel and advertising during the election period. I am certain that will prove to be fair and reasonable.

Question put and passed.

Bill read a third time and passed.

House adjourned at 11.31 pm

QUESTIONS ON NOTICE

MURRAYFIELD AERODROME - ROYAL AERO CLUB BASE ASSESSMENT

1324. Dr WATSON to the Minister representing the Minister for Transport:

(1) Is Murrayfield aerodrome near Mandurah being, or has it been, assessed as a possible base for the Royal Aero Club?

(2) As aircraft noise over residential areas is a hazard to the health and safety of residents, what planning has been undertaken in regard to reducing public risk from light aircraft operations?

(3) How is safety and amenity of residents around Jandakot airport planned?

Mr LEWIS replied:

The Minister for Transport has provided the following reply -

(1) A proposal by the Royal Aero Club to establish the Murrayfield Aerodrome near Mandurah was assessed by the Environmental Protection Authority; in July 1992 and again in July 1993. The EPA concluded that the proposal was environmentally acceptable in October 1993 and recommended that the project could proceed subject to several commitments being adopted by the proponent. These commitments were acceptable and the project has since started.

(2) Responsibility for light aircraft operations in the Perth region comes under the jurisdiction of the Federal Civil Aviation Safety Authority; and Airservices Australia. The Civil Aviation Safety Authority has procedures in place to minimise the risk associated with aircraft operations in populous areas. Aircraft noise associated with light aircraft activity around airports such as Jandakot is in itself not considered to be a direct hazard to health.

(3) As stated in response 2, responsibility for light aircraft operations in the Perth region comes under the jurisdiction of the Federal Civil Aviation Safety Authority; and Airservices Australia. The Civil Aviation Safety Authority has procedures in place to minimise the risk associated with aircraft operations in populous areas. The Civil Aviation Safety Authority has a district office at Jandakot and inspections are made to monitor operations at the airport and to check that appropriate safety levels are being maintained. Notwithstanding these comments, the State Government is working towards putting in place a number of initiatives which are aimed at developing opportunities for training providers at Jandakot to relocate some noise sensitive activities to regional areas of Western Australia. A major study which will focus on identifying infrastructure and other requirements to enable pilot training to occur in regional areas will be commencing shortly.

BOARDS AND COMMITTEES - TRANSPORT PORTFOLIO

1556. Mrs ROBERTS to the Minister representing the Minister for Transport:

(1) Which government boards or committees are operative under the Transport portfolio?

(2) Who are the chairpersons and committee members of each board or committee?

(3) What are the terms of appointment of each of the members of the boards or committees?

(4) What remuneration is paid to each of the members of boards or committees?

(5) Have any members of boards or committees travelled interstate or overseas in 1993, 1994, 1995 or 1996?

(6) If so, who, for what purpose and at what cost?

(7) Did any staff also travel with any of the board or committee members?

(8) If so, who, for what purpose, and at what cost?

(9) Have any of the boards or committees engaged consultants?

(10) If so, which committees, which consultants, when, for what purpose and at what cost?

Mr LEWIS replied:

The Minister for Transport has provided the following reply -

(1) The following statutory boards and committees operate under the Transport portfolio -

Metropolitan (Perth) Passenger Transport Trust;
Taxi Industry Board;
Traffic Board of Western Australia;
The Board of the Geraldton Port Authority;
The Board of the Dampier Port Authority;
The Board of the Port Hedland Port Authority;
The Board of the Esperance Port Authority;
The Board of the Albany Port Authority;
The Board of the Commissioners, Fremantle Port Authority;
The Board of the Bunbury Port Authority;
The Eastern Goldfields Transport Board;
Western Australian Coastal Shipping Commission;
Railways Classification Board; and
Railway Appeal Board.

Metropolitan (Perth) Passenger Transport Trust
(2)-(4)

Mr David Gilham	Chairman	Term expires 27 November 1996	$17 100
Mr Geoff Sherwin	Member	Term expires 31 October 1996	$6 800
Mr Russell Allen	Member	Term expires 30 June 1998	$6 800
Ms Eva Skira	Member	Term expires 30 April 1997	$6 800
Mr John Carlson	Member	Term expires 15 January 1998	$6 800
Mr Robert Wells	Member	Term expires 30 June 1997	$6 800

Taxi Industry Board
(2)-(4)

Mr Howard Croxon	Chairman	Term expires 18 March 1997	$15 000
Mr Mick Lee	Member	Term expires 18 March 1998	$3 500
Mr Garry Finlan	Member	Term expires 18 March 1997	$3 500
Mr Des Stanway	Member	Term expires 18 March 1997	$3 500
Mr John Ireland	Member	Term expires 18 March 1998	$3 500
Mr Dick MacDonald	Member	Term expires 18 March 1997	$3 500

Traffic Board of Western Australia

(2)
R. Falconer — Commissioner of Police - Chairman
M. Hay — Assistant Commissioner (TOPS)
K. Michael — Commissioner of Main Roads
C. Whitaker — A/Director General of Transport
J. Brown — Local Government Association
M. Lang — Country Shire Councils Association
D. Fairclough — Country Urban Councils Association

(3) Government agency representation is by position and local government representation is for a term not exceeding three years.

(4) Remuneration is paid to local government representatives in accordance with Circulars to Ministers No 2/88 Remuneration - Part Time Members of Boards and Committees.

Daily rate - $145
Half daily rate - $73

Country members also receive mileage costs based upon Public Service Miscellaneous Allowance Provisions.

Geraldton Port Authority
(2)-(4)

Mr Bob Gillam	Chairman	Term expires on 31 December 1998	$5 805 per annum plus an allowance of $774
Mr Bob Ramage	Member	Term expires on 31 December 1998	$2 700
Mr Mike Burrows	Member	Term expires on 31 December 1997	$2 700
Mr Kevin Altham	Member	Term expires on 31 December 1996	$2 700
Mr Bruce Anderson	Member	Term expires on 31 December 1996	$2 700

The Board of the Dampier Port Authority
(2)-(4)

Wayne Stewart	Chairman	Term expires 31 December 1997	$8 300
Warwick Pointon	Member	Term expires 31 December 1996	$3 800
Graham Rowley	Member	Term expires 31 December 1997	$3 800
Richard Ladney	Member	Term expires 31 December 1998	$3 800
Colin Norman General Manager	Member	Ongoing until further notice	Nil

Port Hedland Port Authority
(2)-(4)

Peter G. Hardie	Chairman	Term expires 1 November 1996	$8 880
Mr Derek Miller	Member	Term expires 1 November 1996	$3 802
Mr Jack Haunold	Member	Term expires 30 June 1997	$3 802
Mr Michael McKimmie	Member	Term expires 30 June 1997	$3 802

Esperance Port Authority
(2)-(4)

Dick Nulsen	Chairman	Term expires 31 December 1997	$5 805 + expense allowance of $600
Ian Burston	Member	Term expires 31 December 1996	$2 700
Brian McCormack	Member	Term expires 31 December 1996	$2 700
Jim Gray	Member	Term expires 31 December 1996	$2 700
Geoff Males	Member	Term expires 31 December 1997	$2 700

Albany Port Authority Board
(2)-(4)

Mr Terry Enright	Chairman	Term expires 30 June 1997	$6 005
Mr Norman Hall	Member	Term expires 30 June 1997	$2 700
Mr Len Smith	Member	Term expires 30 June 1999	$2 700
Mr Russell Harrison	Member	Term expires 30 June 1998	$2 700

Mr Christopher Parr	Member	Term expires 30 June 1997	$2 700

Board of Commissioners, Fremantle Port Authority
(2)-(4)

J.K. Horwood AM	Chairperson	Term expires 31 October 1996	$12 717
E.E. Strahan	Commissioner	Term expires 31 October 1996	$5 400
J. McKay	Commissioner	Term expires 31 December 1996	$5 400
R. Allen	Commissioner	Term expires 31 December 1998	$5 400
R.L. Aitkenhead	Commissioner	Term expires 31 December 1998	$5 400

Bunbury Port Authority
(2)-(4)

John Willinge	Chairman	Term expires 30 June 1999	$6 580
Lui Tuia	Member	Term expires 30 June 1998	$2 700
John Sullivan	Member	Term expires 30 June 1997	Nil
Neville Eastman	Member	Term expires 30 June 1997	$2 700
George Newby	Member	Term expires 30 June 1997	$2 700

Eastern Goldfields Transport Board
(2)-(4)

Ian McCullough	Chairperson	Term expires 30 June 1998	$6 600
Mal Pascoe	Deputy Chairman and Member	Term expires 30 June 1997	Nil
P.L. Robson	Member	Term expires 30 June 1998	Nil
D.M. Krepp	Member	Term expires 30 June 1997	Nil
K.J. McAuliffe	Member	Term expires 30 June 1997	Nil

Western Australian Coastal Shipping Commission
(2)-(4)

S. Hicks	Commissioner and Chairperson	Term expires 31 January 1997	Nil
A. Nolan	Commissioner and Vice Chairperson	Term expires 14 November 1996	Nil
R. Waldock	Commissioner	Term expires 30 November 1996	Nil

Note: Mr S. Hicks became entitled to receive payment at the rate of $8 100 per annum from 2 July 1996 but payments have not yet commenced.

Railways Classification Board
(2)-(4)

Commissioner - P.E. Scott	Chairperson	Term expires 9 February 1997	Nil
Commissioner - S.A. Cawley	Deputy Chairperson	Term expires 29 May 1997	Nil
F.D. Munyard	Member	Term expires 13 August 1998	Nil
D.J. Kemp	Member	Term expires 13 August 1998	Nil

P.D. Bothwell	Member	Term expires 28 November 1997	Nil
J.G. Wake	Member	Term expires 28 November 1997	Nil

Railway Appeal Board
(2)-(4)

Stipendiary Magistrate - C. Zempilas	Chairperson	No fixed term	Nil
Stipendiary Magistrate - P.M. Heaney	Deputy Chairperson	No fixed term	Nil
M. Searle	Member	No fixed term	Nil
G. Hill	Member	No fixed term	Nil
R. Horton	Member	No fixed term	Nil

Note: An individual union representative is nominated as a committee member seven days prior to the hearing of each appeal.

(5)-(8) Details relating to official travel by government officers and representatives are tabled in Parliament on a quarterly basis.

(9)-(10) Details relating to the engagement of consultants by government agencies are tabled in Parliament on a six-monthly basis.

HEALTH DEPARTMENT - ABORIGINAL HEALTH WORKERS ADMINISTERED BY FREMANTLE HOSPITAL, VACANT POSITIONS

1656. Mr THOMAS to the Minister for Health:

(1) Are there six positions for Aboriginal health workers administered by Fremantle Hospital and based at -

(a) Fremantle Women's Health Centre;
(b) Hilton Community Health Centre;
(c) Southwell Child Development Centre;
(d) Kwinana Community Health and Development Centre;
(e) Health promotions officers based at Rockingham Hospital; and
(f) Armadale Community Health Centre?

(2) Are three of these positions unfilled?

(3) Were these positions originally funded by the Commonwealth for the 1994-95 financial year on the basis that the State would then provide ongoing funding?

(4) Did the State accept that condition?

(5) If yes to (2) above, when will the three vacant positions be filled?

Mr PRINCE replied:

(1) No. Only three positions titled Aboriginal liaison officers are administered by the Fremantle Hospital and Health Service.

(a) Fremantle Women's Health Centre - one position - vacant due to resignation.

(b) Hilton Community Health Centre - one position - filled.

(c) Southwell Child Development Centre - one position - filled.

(2) One position (a) which is administered by the Fremantle Hospital is unfilled due to resignation.

(3) Yes - (a), (b) and (c).

(4) Yes.

(5) At the present time, redeployment is being accessed and if not filled through this process the position will be advertised shortly thereafter. Positions (d) and (e) are administered by Rockingham Kwinana Health Service, and (f) is administered by Armadale Kelmscott Health Service.

BUDGET (COMMONWEALTH) - CUTS; SAVINGS, COST CUTTING MEASURES

1753. Mr BROWN to the Minister for Police:

(1) Has the Minister asked any of his departments or agencies to identify savings, cost cutting or other measures that will enable the Government to cover the $90m cut imposed on the State by the Howard Commonwealth Government?

(2) Have any savings, cost cutting or other measures been identified which will save some or all of the shortfall?

(3) What savings, cost cutting or other measures have been identified?

(4) What measures does the Government intend to implement?

(5) When does the Government propose to implement these measures?

Mr WIESE replied:

I refer the member to question on notice 1740 of 1996.

POLICE SERVICE - WARDS OF THE STATE, ARRESTED; CHARGED WITH OFFENCES

1770. Dr WATSON to the Minister for Police:

How many children who are wards of the State have been -

(a) arrested;
(b) charged with an offence

in each year since 1993?

Mr WIESE replied:

The Commissioner of Police has advised that the Police Service does not maintain records of wards of the State who are charged with offences.

DISABILITY SERVICES COMMISSION - LOCAL AREA COORDINATION PROGRAM, EFFICIENCY AUDIT

1914. Dr WATSON to the Minister for Disability Services:

(1) Is the Minister considering some kind of efficiency audit of the local area coordination program?

(2) If so, what are the terms of reference?

(3) If not, why not?

(4) What budget is allocated to the program and how is it broken down?

(5) How are needs determined and then prioritised?

(6) How are moneys expended and on whose authority?

(7) To whom are -

(a) local area coordinators;
(b) recipients of funding, accountable?

Mr MINSON replied:

(1) No.

(2) Not applicable.

(3) Not required, as the local area coordination program is subject to ongoing internal and external audit and operations review.

(4) LAC gross expenditure budget allocation for 1996-97 -

	$
Salaries	4 052 869
Other staffing costs	162 050
Communications	161 850
Services and contracts	787 565

Consumables	230 724
Maintenance - plant and equipment	51 300
Purchases - plant and equipment	112 600
Grants and subsidies	2 841 174
Total	$8 400 132

(5) Needs are determined by local area coordinators in conjunction with individuals, families and other key people. Plans for recurrent funding are developed, prioritised and approved within policy criteria and panel processes endorsed by the Disability Services Commission board for specific funding rounds.

(6) Moneys are expended in the manner indicated in question (4) above. The authority to expend moneys, including grants, is in accordance with a schedule of delegations approved by the DSC board.

(7) Local area coordinators are accountable to their line manager for the grants they provide. LAC grants are accountable to the requirements of the Disability Services Act (1993), and the Financial Administration and Audit Act (1985), and are subject to external and internal audit. All grant funds are subject to a written agreement with the recipient of funding. Funds are also acquitted on an individual basis.

HOSPITALS - CATERING, LAUNDRY AND CLEANING SERVICES; KALGOORLIE REGIONAL, CONTRACTING OUT

1934. Ms ANWYL to the Minister for Health:

(1) Does the Minister intend to allow hospitals which comply with competitive guidelines, as researched by the rural bench marking teams, to continue to employ direct labour in catering, laundry and cleaning services?

(2) Has the Minister given any undertaking to the staff or administration of Kalgoorlie Regional Hospital as to whether catering, laundry and cleaning services must be contracted out?

(3) Has a rural bench marking team been designated to assess relevant rates for each of the catering, laundry and cleaning services?

(4) If yes to (3), what were the findings of the team?

(5) Has the Kalgoorlie Regional Hospital tendered for outside laundry contracts, as let by private corporations, including the Kalgoorlie Nickel Smelter owned by Western Mining Corporation?

(6) If yes to (4), what amount was quoted to wash and process each kilogram of clothing/fabric?

(7) What is the current cost of washing and processing each kilogram of laundry at the hospital?

(8) How many staff are currently employed in the laundry at KRH?

(9) How many were employed as at 30 June 1996?

(10) What is the average length of service of each staff member?

(11) Is it intended to contract out laundry services -

(a) if yes, when?
(b) if no, why not?

Mr PRINCE replied:

(1) The hospitals will make the decision to contract out the service or to retain it in-house in line with objective management practice.

(2) No.

(3) The bench marking project will provide some benchmark rates for catering, laundry and cleaning services on a statewide basis.

(4) The information gathering phase of the project is not yet complete.

(5) Yes. In 1993 KRH tendered for the laundering of overalls - contract No KNS0129-m-0 - for Kalgoorlie Nickel Smelter. KRH withdrew its tender prior to the tender being awarded following legal advice from the Legal Policy and Planning Department, HDWA suggesting that -

(a) the hospital's tax exempt status may be threatened if the contract was commenced;

(b) the Hospitals Act restricted non-related hospital activities from being performed without specific "Board" - ministerial - approval and that this was unlikely to be granted; and

(c) the State Trading Concerns Act states that government agencies "cannot trade" without specific legislative support.

(6) The contract price was $2.70 per pair of overalls laundered.

(7) Study currently under way to determine this cost. The cost per kilogram will be a selection criterion for the tender, therefore, we believe that it is inappropriate to quote any costs at this time.

(8)-(9) 14.

(10) Ten years.

(11) A draft request for tender is being presented to the Kalgoorlie-Boulder Health Service Board within the next month. The board will make a decision on whether the RFT is advertised and when it will be advertised.

FIRES - SOUTHERN RIVER ROAD WASTE SITE AREA

1937. Dr WATSON to the Minister for Emergency Services:

(1) Following the bush fire in close proximity to the Southern River Road waste site in February 1994, how many members of -

(a) the Fire Brigade;
(b) the Volunteer Fire Brigade,

were taken to hospital?

(2) How long were they hospitalised?

(3) Why did they need hospitalisation?

(4) How many suffered what kinds of -

(a) ongoing; and
(b) chronic,

damage?

Mr WIESE replied:

(1) There are no recorded incidents in this area during February 1994. However, there was a fire in this area on Sunday, 18 December 1994. In relation to this fire the response is as follows -

(a) Nil.
(b) Four members of the City of Gosnells Bushfire Brigade attended hospital within 12 hours of having been involved in the Southern River Road fire.

(2) No member was hospitalised for a period in excess of 24 hours.

(3) Symptoms of smoke inhalation.

(4) There has been no reported incidence of ongoing or chronic damage suffered by firefighters who attended this fire.

FIRES - SOUTHERN RIVER ROAD WASTE SITE AREA

1938. Dr WATSON to the Minister for Emergency Services:

(1) Following the February 1994 fire at the Southern River Road waste site, is it correct that the site continued to burn underground until at least July 1994?

(2) What material was burning?

(3) What are the known adverse consequences to -

(a) the environment;
(b) humans;
(c) animals;

of this burn?

(4) Was there pollution of local domestic water bores and, if so, how was this detected and dealt with?

Mr WIESE replied:

I am unable to provide the information requested and suggest the member direct her question to the Minister for the Environment.

HEALTH DEPARTMENT - SOUTHERN RIVER ROAD WASTE SITE, HEALTH MONITORING; HAZARDOUS WASTE MANAGEMENT

1940. Dr WATSON to the Minister for Health:

(1) What methods has the Health Department assumed in relation to -

(a) monitoring health;
(b) identifying and dealing with hazardous waste,

at the Southern River Road waste tip?

(2) If none, why has no action been taken?

Mr PRINCE replied:

(1) (a) None.
(b) None. The management of hazardous waste is not the responsibility of the Health Department of Western Australia.

(2) The City of Gosnells is the proponent for a consultative environmental review for the remediation of the liquid waste disposal site at Southern River Road, Gosnells. The Health Department of Western Australia has been notified of this development and will assess the health impacts of the proposed remediation when it is provided with a copy of the consultative environmental review by the Department of Environmental Protection, the agency with the legislative responsibility for such matters. In the past, the Health Department of Western Australia has provided advice as requested on results of monitoring studies carried out by other government departments.

CONTRACTS - GOVERNMENT DEPARTMENTS

1948. Mr BROWN to the Minister for Mines; Works; Services; Disability Services; Minister assisting the Minister for Justice:

(1) In each department or agency under the Minister's control, how many contracts does the Government have with the private sector for work which was carried out by government employees when the Government was elected to office in February 1993?

(2) What is the name of each contractor?

(3) What is the nature of the work provided by each contractor?

(4) What is the contract price paid to each contractor?

(5) How many government employees used to carry out the work that is now carried out by each contractor?

Mr MINSON replied:

(1)-(5) The specific information sought in this question is not collated or recorded centrally. Individual agencies would need to dedicate significant time and numbers of staff in order to extract the information and present it in the format requested. Furthermore, it is likely to be difficult to ensure the accuracy of all relevant information over the period requested. The member has already been provided with copies of the reports on the first two annual surveys of competitive tendering and contracting and the third survey report will be completed towards the end of this year.

PROSTITUTION - MALE SEX WORKERS, REGISTRATIONS; AGE OF CONSENT

2003. Ms WARNOCK to the Minister for Police:

(1) Does the Vice Squad register male sex workers for the purpose of homosexual prostitution, provided they are 18 years or older?

(2) If yes to (1), for how long has the Vice Squad been registering male sex workers, for homosexual prostitution, provided they are 18 years or older?

(3) Is the Minister aware that the age of consent for homosexual males in Western Australia is 21?

(4) If yes to (3), why does the Vice Squad break the law by registering male sex workers, for homosexual prostitution, if they are between the ages of 18 and 21?

(5) If not, why not?

(6) If yes to (1), why does the Vice Squad break the law by registering male sex workers, for homosexual prostitution, between the ages of 18 and 21 because they are of the view the Human Rights (Sexual Conduct) Act 1994 (Commonwealth) invalidates the consent age for 21 for homosexual males in this State, actually imposing a consent age of 18?

(7) Does the Minister consider that the Human Rights (Sexual Conduct) Act 1994 (Commonwealth) invalidates Western Australia's homosexual male consent age?

Mr WIESE replied:

The Commissioner of Police has provided the following advice -

(1) No. Section 322A(2) of the Criminal Code states -

> a male person who sexually penetrates a juvenile male or who procures or permits a juvenile male to sexually penetrate him is guilty of a crime and is liable to imprisonment for five years.

Section 322A(1) defines a juvenile male as a male person of or over the age of 16 years and under the age of 21 years.

(2) Not applicable.

(3) Yes.

(4) The Vice Squad does not register male sex workers, for homosexual prostitution, if they are under the age of 21.

(5) The Vice Squad does not register male sex workers under the age of 21 for homosexual prostitution as it constitutes an offence against the Criminal Code of Western Australia.

(6) Not applicable.

(7) Interpretation of constitutional law is a complex matter on which I am unwilling to give a legal opinion. However, I am advised that the Commonwealth Government has established a senate inquiry regarding sexuality and at this time I do not wish to pre-empt its findings.

ASSETS SALES - OVER $100 000

2014. Mr BROWN to the Minister for Police; Emergency Services:

(1) Has any department or agency under the Minister's control sold any assets over the value of $100 000 since February 1993?

(2) What assets were sold?

(3) How much was received for each asset?

(4) How were the proceeds of each asset sale used?

Mr WIESE replied:

(1) Yes.

(2) Police Service vessel *Protector Mariner*.

(3) $112 000.

(4) Purchase of new model "Eden Craft 233 - Formula".

NURSING HOMES - ENTRY FEE; INCREASED SERVICE CHARGES

2058. Dr WATSON to the Minister for Health:

(1) Does the Minister fully support the entry fee and increased service charges being imposed on nursing home residents by his federal colleagues?

(2) Will the Minister see that the charges are removed when he has responsibility for aged care?

Mr PRINCE replied:

(1)-(2) I have reservations about the entry contribution being introduced in conjunction with the winding down of capital funding grants. I have communicated with the commonwealth Minister on this topic. Important issues are whether the changes will be equitable and whether sufficient funds will be generated to address the capital funding needs of nursing homes. Commonwealth/State discussions about the possible transfer of aged care are at an early stage.

POLICE SERVICE - HIGH SPEED PURSUITS, TRAINING

2065. Mrs HENDERSON to the Minister for Police:

(1) Is special training provided to police officers who are given permission to pursue juveniles in stolen vehicles?

(2) Who provides this training?

(3) Are the officers responsible for giving or withdrawing consent for the continuation of these chases given special training?

Mr WIESE replied:

The Commissioner of Police has provided the following advice -

(1) Yes.

(2) The police driver training unit.

(3) Yes.

JUSTICE, MINISTRY OF - CAMP KURLI MURRI, LAVERTON

Future Use

2093. Mr PENDAL to the Minister assisting the Minister for Justice:

(1) When the Kurli Murri camp at Laverton no longer operates as a centre for offenders, has an alternative use for the camp buildings been considered or decided upon?

(2) If yes to (1), what future has been planned for the buildings?

(3) If the isolated location of the camp presents problems for determining an alternative purpose for the centre, is it feasible to consider relocating the buildings to a more convenient site?

(4) If not, what precludes such a move?

Mr MINSON replied:

(1)-(4) The buildings at Camp Kurli Murri work camp are leased on a month by month basis. The lease may be terminated and the buildings returned to the owners. Consideration is also being given to using the buildings in some prisons as program facilities if the costs are realistic.

GOVERNMENT EMPLOYEES - UNDER 21 YEARS OF AGE; BETWEEN 21 AND 25 YEARS OF AGE, RECRUITMENTS

2111. Mr BROWN to the Deputy Premier; Minister for Commerce and Trade; Regional Development; Small Business:

(1) In each department and agency under the Minister's control, how many employees -

(a) under 21 years of age;
(b) between 21 and 25 years of age,

were recruited in the 1995-96 financial year?

(2) How many employees between these ages were recruited in the -

(a) 1993-94 financial year;
(b) 1994-95 financial year,

by each department and agency under the Minister's control?

Mr COWAN replied:

Department of Commerce and Trade -

(1) (a) 4.
(b) 1.

(2) 1993-94
(a) 4.
(b) 14.

1994-95
(a) 8.
(b) 6.

Small Business Development Corporation -

(1) (a) 1.
(b) 1.

(2) (a) Nil.
(b) 1.

Perth International Centre for Application of Solar Energy -

(1)-(2) Nil.

Gascoyne Development Commission -

(1) (a) Nil.
(b) 1.

(2) (a) Nil under 21.
2 between 21 and 25.
(b) 1 under 21.
1 between 21 and 25.

Goldfields-Esperance Development Commission -

(1) (a) 2.
(b) 2.

(2) (a) 1.
(b) 1.

Great Southern Development Commission -

(1)-(2) Nil.

Kimberley Development Commission -

(1) (a) 3.
(b) Nil.

(2) (a) Nil.
(b) 1.

Mid West Development Commission -

(1) (a) Nil.
(b) 2.

(2) (a) Nil.
(b) 1 between 21 and 25.

Peel Development Commission -

(1) (a) 1.
(b) 3.

(2) (a) 3 under 21.
1 between 21 and 25.

(b) Nil under 21.
1 between 21 and 25.

Pilbara Development Commission -

(1)-(2) Nil.

South West Development Commission -

(1) (a) Nil.
(b) 1.

(2) (a) 1 under 21.
1 between 21 and 25.
(b) Nil under 21.
4 between 21 and 25.

Wheatbelt Development Commission -

(1) (a) 2.
(b) 2.

(2) (a) 1.
(b) 2.

GOVERNMENT EMPLOYEES - UNDER 21 YEARS OF AGE; BETWEEN 21 AND 25 YEARS OF AGE, RECRUITMENTS

2117. Mr BROWN to the Minister for Mines; Works; Services; Disability Services; Minister assisting the Minister for Justice:

(1) In each department and agency under the Minister's control, how many employees -

(a) under 21 years of age;
(b) between 21 and 25 years of age

were recruited in the 1995-96 financial year?

(2) How many employees between these ages were recruited in the -

(a) 1993-94 financial year;
(b) 1994-95 financial year,

by each department and agency under the Minister's control?

Mr MINSON replied:

In the case of the Department of Minerals and Energy I am advised -

(1) (a) 7
(b) 13.

(2) (a) 2 under 21 years; 10 between 21 and 25 years
(b) 2 under 21 years; 12 between 21 and 25 years.

In the case of the Department of Contract and Management Services, I am advised -

(1) (a) 6
(b) 19.

(2) (a) 22 under 21 years; 49 between 21 and 25 years
(b) 13 under 21 years; 28 between 21 and 25 years.

NB: The above answers cover both the Western Australian Building Management Authority and the Department of State Services.

In the case of the State Supply Commission, I am advised -

(1)-(2) Nil.

In the case of the Disability Services Commission, I am advised -

(1) (a) 40
(b) 72.

(2) (a) 17 under 21 years; 23 between 21 and 25 years
(b) 20 under 21 years; 31 between 21 and 25 years.

GOVERNMENT EMPLOYEES - UNDER 21 YEARS OF AGE; BETWEEN 21 AND 25 YEARS OF AGE, RECRUITMENTS

2118. Mr BROWN to the Minister for Planning; Heritage:

(1) In each department and agency under the Minister's control, how many employees -

(a) under 21 years of age;
(b) between 21 and 25 years of age

were recruited in the 1995-96 financial year?

(2) How many employees between these ages were recruited in the -

(a) 1993-94 financial year;
(b) 1945-95 financial year,

by each department and agency under the Minister's control?

Mr LEWIS replied:

Ministry for Planning -

(1) (a) 4
(b) 25

(2) (a) 1 under 21 years; 17 between 21 and 25 years.
(b) 1 under 21 years; 25 between 21 and 25 years.

East Perth Redevelopment Authority -

(1) (a) 1
(b) Nil.

(2) (a) Nil
(b) 1 under 21 years; nil between 21 and 25 years.

Subiaco Redevelopment Authority; Heritage Council of WA; National Trust of Australia (WA) -

(1)-(2) Nil.

DISABILITY SERVICES COMMISSION - 13 DAWLISH WAY, WARNBRO, RESIDENTS; SALE

2163. Dr WATSON to the Minister for Disability Services:

(1) How many people live/d at 13 Dawlish Way, Warnbro?

(2) What is their fate now this property has been sold?

(3) To whom was the property sold and for what purpose?

Mr MINSON replied:

(1) Five.

(2) Two people transferred to Bolsabay Community Group Home in the City of Rockingham. Two people were permanently accommodated with the Peel Community Living Association in Mandurah. The fifth is accommodated in the Killarney Community Group Home in the City of Rockingham.

(3) The property was sold to S. Pavone and J. Beisley. The property is zoned "residential".

SUBIACO REDEVELOPMENT - DISABLED HOUSING

2166. Dr WATSON to the Minister for Planning:

(1) Will the Subiaco redevelopment include housing suitable for people with disabilities?

(2) If not, why not?

(3) If so, what sort of housing is planned?

Mr LEWIS replied:

(1)-(3) The proposed Subiaco redevelopment scheme includes draft planning policies on residential development incorporating "self-contained units and assisted care accommodation, in situations designed to provide continuing and graduated care". The provision of such accommodation is the responsibility of non-government and government agencies and private companies and individuals.

REGISTRAR GENERAL'S OFFICE - REGISTRY MARRIAGES

2168. Dr WATSON to the Minister assisting the Minister for Justice:

(1) How many registry office marriages were performed in each year since 1993 in -

(a) Perth
(b) Fremantle
(c) Armadale
(d) Joondalup
(e) Midland
(f) Bunbury
(g) Albany
(h) Geraldton
(i) Northam
(j) Kalgoorlie?

(2) Which of those offices is no longer conducting marriages, and why?

(3) On whose instructions was the service withdrawn?

Mr MINSON replied:

(1)

		1993	1994	1995
(a)	Perth	664	615	639
(b)	Fremantle	94	114	98
(c)	Armadale	28	21	20
(d)	Joondalup	3	14	12
(e)	Midland	27	36	36
(f)	Bunbury	11	21	20
(g)	Albany	7	16	15
(h)	Geraldton	6	5	4
(i)	Northam	6	3	8
(j)	Kalgoorlie?	17	12	12

(2) All of the offices are still conducting marriages.

(3) Not applicable.

KEN HURST PARK, LEEMING - REZONED INDUSTRIAL

2172. Dr WATSON to the Minister for Planning:

(1) Is Ken Hurst Park in Leeming to be rezoned "industrial" from rural precinct?

(2) On what basis?

Mr LEWIS replied:

(1)-(2) Ken Hurst Park is zoned rural in the metropolitan region scheme. There is no MRS proposal to zone it industrial. Under the City of Melville town planning scheme No 3, Ken Hurst Park is zoned rural and recognised as a precinct. The land is owned by the city. The city is in the process of reviewing the scheme, whereby it may contemplate future use or development of the land. Once the scheme review is confirmed for advertising, any proposal for the park would be open to public comment to be taken into account in determining an outcome.

JANDAKOT WATER MOUND - GOLF COURSES POLLUTION THREAT

2173. Dr WATSON to the Minister for Planning:

(1) In regard to the protection of the Jandakot water mound, does the Government acknowledge the potential for pollution from golf courses?

(2) If not, on what basis?

(3) Would a proposed golf course extending to the Ken Hurst Park provide a threat to underground water?

(4) If so, would the Minister outline how the Government would constrain such a proposal?

Mr LEWIS replied:

(1) Only if the golf course is situated over the well head capture zone of the Jandakot water mound.

(2) Not applicable.

(3) Any such proposal would need to be evaluated by the Water and Rivers Commission and the Department of Environmental Protection for any potential threat to underground water and surface lakes.

(4) Not applicable.

TAPLIN, SUE - LETTER TO DEPUTY PREMIER

2314. Mr BROWN to the Deputy Premier:

(1) Prior to the last state election, did the Deputy Premier receive a detailed letter from Mrs Sue Taplin?

(2) If so, did the Deputy Premier respond in detail to the letter?

(3) If not, does the Deputy Premier intend to respond to the letter?

(4) If not, why not?

Mr COWAN replied:

(1)-(4) Several letters and submissions were received from Mrs Taplin both before and after the last state election. As there was more than one item of correspondence and some required a response and others did not, it is not possible to know precisely to which letter the member is referring. If the member has the authority of the author, I am prepared for him to examine my files.

QUESTIONS WITHOUT NOTICE

HOSPITALS - MANDURAH

534. Dr GALLOP to the Minister for Health:

With regard to the proposal to upgrade and privatise Mandurah Hospital, will the Minister confirm that -

(1) Western Australian Treasury Corporation will borrow from BZW Investment Management Australia Ltd the funds required to build the hospital?

(2) The Western Australian Government will contract to Leighton Contractors Pty Limited to build the hospital?

(3) The Western Australian Government will own the hospital and will lease it to Health Solutions (WA) Pty Ltd , which will be paid for the services it delivers?

Mr PRINCE replied:

(1) As I understand it, Western Australian Treasury Corporation and BZW Investment Management Australia Ltd will be involved in the borrowing of money, but BZW will be the financier; Treasury will not borrow from BZW.

(2) I have said in this House previously that the Mandurah-Peel Health Services contract involves the Health Solutions consortium, of which Leighton Contractors Pty Limited is the builder, BZW Australia is the financier, and Health Solutions (WA) Pty Ltd is the manager. The contract will be signed with Leighton Contractors for the building and construction of the extensive modifications to the hospital.

(3) The very much expanded 110 bed public hospital will be leased to Health Solutions, and the management by Health Solutions will be similar to that for the Joondalup Hospital development and will provide for absolute service requirements and standards, which will be benchmarked against similar hospitals throughout the metropolitan area. The State Government owns the hospital and will continue to own it, subject to the lease.

HOSPITALS - MANDURAH

535. Dr GALLOP to the Minister for Health:

Given the answer to the previous question, will the Minister take the time to explain to his colleague the member for Mandurah the nature of these funding arrangements, given the member's comments in this week's *Mandurah Mail* that -

> The suggestion that a new hospital should be paid for by the taxpayers is yet another example that the Labor Party has not changed from the WA Inc days when they were quite prepared to put everything on the taxpayer's tab . . .

Is it not true that in the Minister's model for Mandurah the taxpayers are not only paying for the hospital, with interest, but are also making a state contribution to the profits of the consortium involved?

Mr PRINCE replied:

That is not a true statement. As I said, it is very much like the Joondalup example. The operator, Health Solutions, has a lease and is paid for that activity in the hospital. In other words, it is a service agreement for services to be provided. They are paid for as they are provided.

Dr Gallop: By the taxpayers!

Mr PRINCE: Of course they are -

Dr Gallop: Explain that to your colleague!

Mr PRINCE: - as are all other public hospitals paid for, within a budgetary system, to provide services on a service basis.

UMBILICAL CORD BLOOD BANK - ESTABLISHMENT PLANS

536. Mr TRENORDEN to the Minister for Health:

I ask this question on behalf of the member for Collie: Will the Minister advise whether the Government has any plans for an umbilical cord blood bank in Western Australia?

Mr PRINCE replied:

I thank the member for Collie for some notice of this question. This question has arisen from some inquiries in the public sphere whether this State could contemplate an umbilical cord blood bank. It is a very new concept which, I think, was pioneered in France. There is such a bank in France, and one or more in America. The first bank of this kind in Australia was opened last year at the Prince of Wales Hospital in Sydney. That facility is privately funded. There are significant advantages in being able to use blood from umbilical cords, particularly in the treatment of leukemia and other related cancers. Obviously only a small amount of blood can be harvested. It is a new procedure which is still being examined. This matter has been of some interest to Dr Richard Herrmann, the head of the haematology department and Director of Laboratory Services at Royal Perth Hospital. He will be travelling to Sydney next week for a conference which will discuss this matter. Upon his return I expect to be able to advise members further regarding whether we will be able to have access to such a facility.

TRADING HOURS - MOTOR VEHICLE RETAIL INDUSTRY, SURVEYS

537. Mr CATANIA to the Minister for Fair Trading:

Yesterday the Minister said the Government will survey customers who purchase motor vehicles to ascertain whether there is customer demand for Saturday afternoon trading in the motor vehicle retail industry.

(1) What questions will be asked of customers and who will conduct the survey?

(2) How will the Minister assess the results and what will she regard as a positive result?

(3) Following the lobby group statement that it has faith in the Minister's integrity and believes trading hours will be cut, what guarantee can the Minister give that she has not concocted this scheme as a cover for an already agreed announcement to scrap the extended hours?

Mrs EDWARDES replied:

(1)-(3) The questions have been developed by Reark Research, which was appointed to carry out independent market research. The questions will be directed to not only people who have purchased motor vehicles, but

also people in car yards who are potentially interested in purchasing motor vehicles. There has been no concoction.

TRADING HOURS - MOTOR VEHICLE RETAIL INDUSTRY, SURVEYS

538. Mr CATANIA to the Minister for Fair Trading:

Will these surveys be conducted on Saturday morning or Saturday afternoon?

Mrs EDWARDES replied:

They will be conducted during the week as well as on Saturday morning and Saturday afternoon in the metropolitan and regional areas. Also, they will involve large, medium and small firms so that a broad cross-representation of the industry and customer base is achieved.

OCCUPATIONAL HEALTH, SAFETY AND WELFARE ACT - ENFORCEMENT IN CONSTRUCTION INDUSTRY

539. Dr HAMES to the Minister for Labour Relations:

Some notice of this question has been given. Has there been any reduction in enforcement of the Occupational Health, Safety and Welfare Act in the construction industry since the change of Government in 1993?

Mr KIERATH replied:

The Opposition, and the Trades and Labor Council, sadly and disappointingly are trying to whip up the issue to put some sort of life into their terminally ill campaign for re-election. It has nothing to do with safety and everything to do with political survival. I dug out the figures to show this House and the public of Western Australia that under this Government there has been more enforcement activity in this State than under the discredited Labor Government. The three indicators that are not subject to the Opposition's interpretations are improvement notices - we know they are intended to rectify the breach within a certain period; prohibition notices, which mean that workers must stop work until the problem is rectified; and prosecution.

In 1995-96 WorkSafe issued 1 191 improvement notices. That is a 44 per cent increase on the 826 that were issued in the Labor Party's last year in government in 1992-93. The number of prohibition notices issued in the construction industry increased by 5 per cent, from 376 to 393. In 1992-93 there were 17 prosecutions; in 1995-96 there were 26 prosecutions. That is almost a 50 per cent increase in prosecutions. They are the facts, not a manufacture of the facts to try to suit political purposes.

Another figure the Opposition does not like to see is that for lost time injuries, which in the construction industry decreased by 22 per cent between 1992-93 and 1995-96. At the same time there were 37 per cent fewer fatalities. Those figures show that the Government has been enforcing safety in the workplace far more than the Labor Party did when it was in government. This Government's initiatives have resulted in fewer workers being injured and fewer people being killed at work.

I am disappointed at the Opposition and the TLC trying to score cheap political points. They should join with the Government in the largest campaign this State has seen. If they did that, they would at least show the people of Western Australia that in the area of safety they were genuine. People did not believe the false representations the Labor Party made in 1992-93, and I certainly hope they will not believe the false representations it makes going into the next election.

EDUCATION DEPARTMENT - VIP PROGRAM, FUNDING

540. Mr KOBELKE to the Minister for Education:

Last week in this House the Minister conceded that school truancy was a significant problem and he vowed to confront it head on.

(1) Is the Minister aware that the VIP program for getting chronic truants back to school or into work is still waiting to learn whether its application for a $38 000 government grant will be approved?

(2) Is he aware that the program has so far had a 100 per cent success rate; that is, every one of the 33 children it helped earlier this year has either been accepted into technical and further education courses or has found a job?

(3) Is he aware that the program was to have started with a new intake last Monday and will collapse altogether if its grant is not forthcoming this week?

(4) Is he aware that community policing looks set to refuse the grant application on the grounds that truancy is an issue for the Education Department?

(5) Will he guarantee this program's future by providing the necessary funds so that it can resume next week?

Mr C.J. BARNETT replied:

I thank the member for some notice of this question.

(1)-(5) I am aware of the program, which has received some publicity lately. I agree from my knowledge of the program that it has been successful, as the member indicated. The program is seeking additional funding in order to continue. That will go through the normal process. I understand it has a very good chance of being funded. I will not guarantee its funding ahead of other programs. It will go through the normal process and be considered objectively over the next couple of weeks.

EDUCATION DEPARTMENT - VIP PROGRAM, FUNDING

541. Mr KOBELKE to the Minister for Education:

As a supplementary, is the Minister familiar with a whole range of programs, such as the VIP program, which have had funding removed? Further, does the Minister accept that these programs cannot be funded in a month's time; they need funding immediately or the staff will find other jobs and their facilities will no longer be leased, and so the programs will not continue?

Mr C.J. BARNETT replied:

The people involved with the VIP program are fully aware of the funding process which they must go through. They are going through it in a normal, sensible and responsible way. The member is not helping their cause by lobbying here. I suspect he is embarrassing them.

Mr Kobelke: They will disappear, if you do not give them the word this week.

Mr C.J. BARNETT: I will not jump them ahead of the queue. As I said before, the advice I have is that there is a high probability of that funding being granted.

MEDICAL GRADUATES - NUMBERS LIMIT, COMMONWEALTH PROPOSAL

542. Mr DAY to the Minister for Health:

I refer to proposals by the Federal Government to limit the number of new medical graduates who can enter practice.

(1) Does the Minister agree that such action would be detrimental to Western Australia?

(2) What action is he taking to persuade the Federal Government to change its proposals?

Mr PRINCE replied:

(1)-(2) I am aware of the proposal announced by the federal Minister for Health and Family Services, Dr Wooldridge, to limit provider numbers to new graduates from medical schools in an attempt to limit the number of doctors who are in society. The matter was discussed in a general sense at the ministerial council at Hobart in July when Ministers received a report from a highly qualified academic to do with medical manpower in Australia. The figures that were then produced clearly showed that Western Australia has about the right number of medical practitioners, although their distribution between country and city and in some respects in some specialities is not quite ideal. The greatest imbalance is in New South Wales and, to a lesser extent, in Victoria, and in the urban centres of Sydney and Melbourne-Geelong. The proposal put forward by Dr Wooldridge has been around for some time; indeed, I note in *The Bulletin* magazine, which I received today, that Mr Richardson, a former senator and Minister for Health in the Labor Government, told the Australian Medical Association and others some three years ago that he was effectively smiling upon the proposal and it would happen. The result is that Dr Wooldridge has put the proposal into effect. Those are general comments.

In this State, as I said to Dr Wooldridge in July and to the media yesterday, which accurately reported, there is no need for this program to be implemented because we have about the right number of medical practitioners, even though we do not have the best distribution of them.

Mr Graham: The provider, postgraduate numbers are not in the right areas.

Mr PRINCE: That possibility has been mooted, but the problem, as I am sure the member for Pilbara would agree, is that one does not necessarily want the young, newly qualified doctor in the rural areas.

Mr Graham: We do not have the luxury of choice because we do not have doctors in the bush.

Mr PRINCE: We do. At the moment one position is vacant in Laverton, largely as a result of the excellent work of the Western Australian College of Rural and Remote Medicine and other organisations, which run a first class service in providing locums for doctors in the bush and in persuading doctors to go to the bush and finding them very good jobs.

Mr Graham interjected.

The SPEAKER: Order!

Mr PRINCE: I am not saying there are no problems in the bush, because there are. However, by and large we are much better off than any other State. I do not think the proposal by Dr Wooldridge is applicable to this State, to answer the specific question of the member for Darling Range. I have lobbied my views and shall do so again on Friday of next week when we have another ministerial council. Dr Wooldridge will be here late on Monday and on Tuesday of next week. Members may rest assured that I will take up the matter with him then as well.

WORKSAFE WA - METROBUS DEPOT, EAST PERTH, INSPECTIONS; DEATH INQUIRY

543. Mr BROWN to the Minister for Labour Relations:

I refer to the tragic death earlier this month of a young union organiser on the site of the old Transperth depot in East Perth.

(1) Is it true that WorkSafe WA inspectors failed to inspect the site prior to the young man's death?

(2) Is it true that inspections on the site since that death have resulted in 14 infringement notices being issued against the demolition company?

(3) Why did workers on the site have to wait until one of their colleagues died before WorkSafe showed any interest in the appalling safety standards in which they were forced to work?

(4) Does this not highlight the Government's appalling record in maintaining proper safety standards and the need for demolition companies to be licensed?

Mr KIERATH replied:

(1)-(4) I fear that this is similar to a question on notice asked of me to which the answer has been provided. I am trying to refrain from making any comments on the fault or otherwise of the parties at the workplace until the inquiry is completed. I understand that there was no requirement for WorkSafe inspectors to visit the site prior to the death of that person. However, I understand that inspectors have been on site and have issued a number of notices. This death will result in an inquiry and I have been advised that a report will be completed in about two weeks. I have promised that it will be made public. As I said, I have tried to refrain from making judgments on the rights or wrongs of individuals and events until I have received that report. I repeat the information I provided earlier. Any accident is one accident too many. However, we must be realistic. If we could find a way of abolishing all accidents we would. The activities undertaken and campaigns we have run are having a profound effect on the workplace with a 22 per cent reduction in injury rates in the construction industry and a 37 per cent reduction in fatality rates. Nonetheless, as long as one person is being injured or killed there is plenty of room for improvement. At this stage, I would rather see the situation improve than see it deteriorate.

POLICE SERVICE - BELMONT, NEW STATION, PROGRESS

544. Mrs PARKER to the Minister for Police:

Some notice of this question has been given. After the terrific impact the suburban police station in Forrestfield has had on the community, at what stage is the proposed new Belmont police station?

Mr WIESE replied:

I was expecting this question from a different area.

I am very pleased to announce that the commitment to provide a new Belmont police facility is on track and construction is expected to start next month at an estimated cost of $1.75m.

Mr Ripper: Is this for the Liberal Party preselection?

Mr WIESE: I am looking after the member for Belmont!

The station will be located in Abernethy Road near the Belmont High School and the Cloverdale Primary School. Its completion is expected by July 1997. It will be another state of the art police facility designed for future staff increases and will cater for both uniform and detective staff.

Four police stations have been opened in the past 12 months at Kwinana, Leeman, Forrestfield and Scarborough. We anticipate another two will be completed in the 1996-97 financial year. The station at Australind is expected to be opened early in November. The proposed Meekatharra station is also very close to being finalised. Construction is expected to get under way, and in some cases has already commenced, on major stations at Kununurra and Halls Creek and on substantial reconstruction at Roebourne.

That is an indication of the huge amount of resources being spent on the Police Service of Western Australia during the term of this Government.

Several members interjected.

Mr WIESE: I am very happy to talk about Mirrabooka. If the member wants to know what is going on I will tell him about a couple of the others. We have also provided funding for Hillarys, Morley, Gosnells, Dunsborough and Murdoch. Planning is under way for the new police district offices at Cannington, Mirrabooka and Geraldton. That is a very clear indication of the huge resources that the Government is allocating to provide better facilities for the Police Service. These decisions are not being made on a political basis; the majority of the stations are in Labor electorates - and that is very different from what occurred in the past. Very substantial resources are being allocated and much better facilities are being provided for the Police Service.

WANDOO PROJECT - LOCAL CONTENT

545. Mr RIPPER to the Minister for Resources Development:

I refer to the Minister's boast to the House that the $100m concrete gravity structure built for the Wandoo project had an Australian content of 92 per cent.

(1) Is it not the case that the $170m steel topsides for the project - the process and accommodation modules - were built in a Singapore shipyard?

(2) Is it not also true that this work went to Singapore without a tender process having been undertaken and that no Australian company was given the opportunity to compete for the work?

(3) What is the real proportion of Australian content in this project's total investment of $610m?

Mr C.J. BARNETT replied:

(1)-(3) I am sure the member is aware that the Wandoo project is located in commonwealth waters and that it is operating under existing laws rather than an agreement Act. Therefore, the State has no powers to enforce local content provisions.

Several members interjected.

Mr C.J. BARNETT: It is not rubbish; it is true. It is one of the issues with local content -

Mr Ripper: Don't they need onshore support?

Mr C.J. BARNETT: The member should listen because he might learn something about the offshore oil and gas industry.

The concrete gravity structure was the first of its type to be built in Western Australia and only the third in Australia. This $100m project has provided 350 jobs in Bunbury and will probably be the first of six to eight similar structures built in the area in the coming years. A whole new industry has been captured for Western Australia. It is true that the topsides have been built in Singapore, but there is no agreement Act process to address that. However, the Deputy Premier is pushing ahead on the development of Jervois Bay. If we can get that infrastructure in place then we will be in a competitive position to capture that type of work.

I agree with the sentiment of the question: We need to do a lot more in Western Australia in the offshore oil and gas industry. However, the achievement of the concrete gravity structure is outstanding in terms of local content. As I said previously, we are running at local content levels of 65 per cent to 90 per cent.

Mr Ripper interjected.

Mr C.J. BARNETT: I will happily arrange a detailed briefing on local content for the member. It is objectively measured and we have a way to go. I will never deny that.

Several members interjected.

Mr C.J. BARNETT: Yes, it is consistent.

For the first time, international groups and Australian companies have it in their hearts and minds that when they build a project in Australia they contract the work locally. That is a change of heart in the way in which projects are developed. The Opposition should support it and not just knock -

Mr Graham interjected.

Mr C.J. BARNETT: Look at the North West Shelf because it will go through a huge period of expansion involving extraordinarily high levels of Australian content. It is a pity the member for Pilbara -

Mr Graham interjected.

The SPEAKER: The member for Pilbara will come to order.

Mr C.J. BARNETT: It is incredible. This State is going through the most dramatic period of resource development in its history and there are huge opportunities and challenges. Instead of criticising, members opposite should come up with some positive suggestions to improve the situation. Members opposite say it is not happening, but they will have to watch the newspapers very closely in the next few weeks.

ABORIGINES - AWARDS; WORKPLACE AGREEMENTS

546. Mr BLOFFWITCH to the Minister for Labour Relations:

(1) Is the Minister aware of a new award wage structure specifically designed for Aboriginal people?

(2) Has the ability to cater for Aboriginal people been shown in workplace agreements?

(3) If so, how?

Mr KIERATH replied:

(1)-(3) I am aware of the existence of this award. It is a federal award containing common wage structure and entitlements which have been through the usual development process. In Western Australia workplace agreements have been structured to suit the special needs of Aboriginal people. That has been achieved in a number of areas. The Commissioner for Workplace Agreements advised me he has given assistance to some of the major Aboriginal corporations to develop several agreements which have already been registered.

Mr Brown: Why not give that information to the community generally?

Mr KIERATH: These agreements, which have been developed through consultation, take into account the very special needs of employers and employees and recognise the significance of the cultural effects. For the benefit of the member for Morley, I advise that one of the common clauses relates to bereavement leave. For example, bereavement leave has been expanded under the minimum conditions to include extended family. Provisions have also been included to cover ceremonial and cultural leave. I advise members it is not strictly limited to Aboriginal employees. In fact, many Aboriginal and Torres Strait Islanders have special ritual obligations which have been taken into account in their workplace agreements. This exemplifies how workplace agreements can achieve far more, with a lot less effort, than the old rigid award structure. The fascinating thing is that the Aboriginal culture is some 40 000 years old, yet Aboriginal people have been prepared to embrace change - that is much more than can be said about the union movement and the Australian Labor Party members opposite.

FIREARMS - LEGISLATION

547. Mr McGINTY to the Minister for Police:

I refer to the Government's cave-in to real estate agents over trading hours and to motor vehicle retailers over Saturday trading.

(1) Has the Government caved in to the gun lobby or the pro-gun elements of the National Party by agreeing to water down proposed gun laws?

(2) What parts of the gun package are dealt with by way of regulation, rather than legislation?

(3) Is it true that the Government's proposed legislation will limit the power of police to confiscate prohibited firearms which have not been handed in and, if so, how does the Minister expect to enforce the ban on gun laws?

Mr WIESE replied:

(1) No.

(2) Parts of the legislation will be in the regulations, which will be tabled in draft form with the second reading speech tomorrow.

(3) No.