



WESTERN AUSTRALIA

# Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT  
FIRST SESSION  
1997

LEGISLATIVE ASSEMBLY

Wednesday, 26 March 1997

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

### ADDRESS-IN-REPLY

#### *Presentation to Governor - Acknowledgment*

**THE SPEAKER** (Mr Strickland): I advise members that, accompanied by the members for Collie, Ningaloo, Rockingham and Southern River, I attended upon His Excellency the Governor and presented the Address-in-Reply to His Excellency's speech in opening Parliament, and that His Excellency was pleased to make the following reply -

Mr Speaker and members of the Legislative Assembly

I thank you for your expressions of loyalty to Her Most Gracious Majesty The Queen and for your Address-in-Reply to my Speech to Parliament on the occasion of the opening of the First Session of the Thirty-Fifth Parliament.

Michael Jeffery

GOVERNOR

### PETITION - GUILDERTON REGIONAL PARK

**MR McNEE** (Moore - Parliamentary Secretary) [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 respectfully request that the Government establish a Regional Park immediately to the south of Guilderton in order to protect the mouth and lower reaches of the Moore River and the significant dunes and coastal heathland south of the mouth of the Moore River.

We request that the Government take urgent action to acquire this land before it is further rezoned or developed.

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 47 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 10.]

### STATEMENT - MINISTER FOR PLANNING

#### *East Perth Redevelopment Authority - Chairman, Appointment*

**MR KIERATH** (Riverton - Minister for Planning) [11.04 am]: I wish to make a statement with regard to the trumped-up controversy surrounding decisions by my predecessor, Hon Richard Lewis. Given that documents are now in the public arena under the freedom of information process, I thought it appropriate that Parliament have the opportunity also to view their contents.

Certain details have been excluded after consultation was sought with third parties named in the documents, as is their right under section 32 of the Freedom of Information Act referring to personal information. Once Parliament has had a chance to read these documents, it will be clear to anyone that the carping and whining of Opposition members about alleged inconsistencies and biased decisions by my predecessor and all the smears and innuendo they have tried to foist upon Mr Lewis will be shown to be baseless. I now table the document.

[See paper No 314.]

### ORDERS OF THE DAY - GOVERNMENT BUSINESS, PRECEDENCE

#### *Postponement*

**MR BARNETT** (Cottesloe - Leader of the House) [11.06 am]: I move -

That Order of the Day No 1 be postponed.

This matter has been postponed on several occasions, but it is the Government's firm intention to deal with this tomorrow.

Question put and passed.

### STATE TRADING CONCERNS AMENDMENT BILL

#### *Second Reading*

Resumed from 19 March.

**DR GALLOP** (Victoria Park - Leader of the Opposition) [11.06 am]: The Opposition gives its general support to this legislation. We will raise a couple of issues to which we would like the Government to respond during the debate. There is a lot of history to the Bill, which goes back to 1916. At that time, the legislation was set up to regulate the establishment, carrying on and management of trading concerns by the Government. Members may not be aware of the background, which is that during the Scaddan Labor Government there was a significant extension of the role of the State in the then fledgling Western Australian economy. As a spin-off, the conservatives in Western Australia believed more regulation was required over the extension of government into the area of business generally.

It is interesting to reflect on why the Scaddan Government at that time thought it necessary to involve the State in industry. It is also important to note the extent to which it did so. It spent money from the loan suspense account to buy four steamships, which saw the setting up of the State Shipping Service; to stock a dairy farm at Claremont - at that stage there were still agricultural interests in that area; and to start work on a sawmill at Manjimup. It also negotiated to buy a tramway system in Perth and before the First World War the Government had also built state hotels and abattoirs; re-opened a quarry at Boya; taken over the South Perth ferries and the whole of the city's tramway system; set up a brickworks and an agricultural implement works; and entered every phase of the meat industry from the breeding of livestock through to the retail trade.

Interestingly, this was not seen by the Government at that time as the thin edge of the socialist wedge. It believed it was providing a competitive check on the monopolies it felt existed in the Western Australian marketplace at that time. There was a slow reversal of the process. At that time many elements of the community accepted that it was necessary. An article by John Robertson on John Scaddan states -

For years there had been complaints about meat and shipping 'rings' dominating the northern pastoral industry and forcing city consumers to pay too much for their meat. Scaddan hoped to cut prices by buying steamers which would trade along the north-west coast. His later entry into the retail meat trade had the same aim.

That aim was to break down monopolies. The article continues -

He wanted to reduce the price of timber for workers' homes, weaken the hold of the 'combine' (Millars) on the industry and aid the economic development of the state by exploiting an almost untapped asset - the karri forests south of Bridgetown. But the cabinet would not have entered the industry on such a scale had it not just succeeded in obtaining from the Commonwealth government a contract to supply 1 400 000 sleepers, some of them karri, for the transcontinental railway line. To supply this order the Manjimup mill began production in December 1913 and two mills were opened at Pemberton early in 1914.

A similar blend of doctrine and pragmatism led to the setting up of other state trading concerns. State brickworks resulted from a need for good, cheap bricks for workers' homes.

My home in Victoria Park was built with state bricks. The article continues -

State agricultural implement works were set up to provide farmers with cheaper machinery. Dissatisfaction with the privately owned tramway and ferry services meant that little controversy surrounded Scaddan's decision that the state should take over.

That was a journey down memory lane to indicate that the reasons for setting up the State Trading Concerns Act were to counter monopolies, to bring competition into the marketplace, and to reduce prices. That is the reason that Scaddan and others used the term "government trading concerns" rather than state socialism, which has been the term used by some historians since that time. As a result of a reaction to the Scaddan Government's involvement in industry in 1916, the Parliament legislated to ensure that any state involvement would have the specific authorisation of Parliament. The assumption behind the legislation was that the role of government was narrowly defined, and if the Government wanted to broaden its range of functions into trade and commerce, it had to justify that to Parliament.

In 1997, the irony of a conservative Government wanting to loosen up the State Trading Concerns Act to take into account new realities of departmental operations should not escape members of Parliament.

The State Trading Concerns Act applies to trading concerns that are either listed in the schedule to the Act - many of which are no longer in existence today - or are declared by the Parliament as a result of the processes that the Act sets up. For interest I will refer to the schedule, which includes the state implement and engineering works - that was privatised and closed down by the previous Labor Government - and the state shipping service. Of course, we all know about the State Shipping Service! The members for Ningaloo, Kimberley and the Pilbara know all about that. I will also refer to state hotels; meat distribution - the shipment of north west cattle - and the state fish supply. They were some of the state trading concerns that were covered by the Act at that time.

This legislation requires parliamentary approval if a trading concern is to be conducted through a company. I remind the House that section 4(3) of the Act defines a trading concern as -

... any concern carried on with the view to making profits or producing revenue, or of competing with any trade or industry now or to be hereafter established, or of entering into any business beyond the usual functions of State Government.

The assumption in that legislation is that if the State Government goes outside its usual functions, it requires the specific approval of Parliament. The thrust of the State Trading Concerns Act is to prevent the Government from entering into trade or commerce without specific parliamentary approval. The amendment Bill is based upon legal advice that the Government has received that many departments' ability to provide and market a wide range of services has been called into question. Most members in this Parliament understand that for a range of reasons the possibility exists for a number of departments to enter into some degree of trade and commerce. The classic example is the marketing of ideas. We have seen a good deal of this in government in Western Australia. Many public servants are creative individuals. They have come up with new ideas, and the State should get some benefit from those ideas. The legal advice to government at the moment is that the Government is restricted in its ability to trade in some of those ideas because of the impact of this legislation.

This Bill makes explicit the framework for allowing government departments or subdepartments to engage in trade. It allows certain activities to be authorised by regulation. Three activities in particular are mentioned: Provision of goods, information or intellectual property; the provision of scientific, technical educational training, management or advisory services; and the provision of advertising opportunities or opportunities to participate in arrangements in the nature of advertising or having a purpose similar to advertising. Government departments currently have this potentiality. This legislation sets up a legislative framework to allow those activities to be set up by regulation. The legislation also allows for the imposition of fees or charges that have been approved by the Minister and, ultimately, been subject to the support of the Parliament. This means that departments or subdepartments can engage in a wide range of commercial activities as long as the Parliament approves.

As I noted earlier, such a requirement exists for many activities within government, the most obvious being the development of marketable ideas and goods within the government system. The second reading speech states that there also should be a possibility to earn revenue within government to support the revenue base of the State. That is a spin-off of legislation of this sort.

I will raise two important issues about the legislation; I will seek clarification on one and a commitment from the Premier on the other. The first is the accountability issue. Given that state departments can now engage in trade or commerce through particular activities and have that authorised by the Parliament, it is important that we make clear the accountability mechanisms that will be in place. I assume that section 6 of the State Trading Concerns Act will apply to those trading concerns.

Mr Court: Do you mean Western Power?

Dr GALLOP: No, the trading concerns that will be affected by this legislation that are within departments. Section 6 of the legislation makes it clear that trading concerns will be subject to ministerial responsibility. That is a very important part of this equation. If the Government is to allow certain activities to be commercialised, we must be assured that the traditional framework of ministerial responsibility, and therefore parliamentary accountability, applies. Section 14 of the State Trading Concerns Act allows the Financial Administration and Audit Act to play a role; in other words the Auditor General will be able to audit those activities. I seek assurance that that is assumed by the legislation. I would like to be assured by the Premier that ministerial responsibility and parliamentary accountability will apply to those concerns. As I read the Act they will.

Secondly, will the Premier confirm that, under section 14 of the State Trading Concerns Act, the Auditor General will have the general supervisory function over any activities set up under this legislation and that they will be subject to commerce and trade requirements. It is my understanding that those accountability requirements exist.

Nonetheless I would like that confirmed. It is important that if we are to allow departments or subdepartments to engage in a degree of trade or commerce, proper accountability and proper reporting mechanisms should be in place and the Parliament should be able to ask questions about what happens so that our normal system still functions.

The second issue relates to the ability under this legislation for departments and subdepartments to charge fees in relation to trading concerns that they might set up. The Act provides for the charging for goods and services prescribed by regulation. The issue here is that all government activity could be prescribed as a trading concern. In a sense this legislation could become the basis on which we transform the government services of Western Australia to activities of trade and commerce and then charge fees for those activities. As I read the original legislation and this amendment, that is not the intention. However, given it is possible, I would like a commitment from the Premier that his intentions are narrower and that we are simply making it possible for those good things that occur within government to be traded and, if fees are to be attached, they would be purely part of that commercial extension. I hope this is not the thin end of a user-pays wedge which will see all the community service obligations of government being subject to commercial calculation.

Mr Court: I give you that commitment.

Dr GALLOP: That is an important issue, particularly for non-metropolitan users of government services.

The third issue is a general one and concerns the recommendation of the Commission on Government. I take the opportunity of reminding the Premier that the Commission on Government in its Report No 3 said -

The STCA should be repealed. It is an outdated piece of legislation which fails to address the accountability issues raised by recent public sector reforms, including the use of corporatised and commercialised bodies to deliver public services.

We have come a long way since 1916. We are trying to make this legislation more flexible in its application so that the realities of modern government can be taken into account; so that those interesting goods and services that emerge within government can be marketed and subject to accountability in the process. However, at the same time, we must recognise that the legislative framework is now outdated and the Commission on Government proposed the establishment of a commercial activities of government Act which would specify the minimum requirements for monitoring, controlling and scrutinising government commercial activities with provision for -

- (a) defining the term commercial activities of government;
- (b) defining the term commercial agency to embrace any public sector organization engaging in commercial activities;
- (c) establishing commercial agencies as bodies corporate wherever possible;
- (d) defining the functions and powers of the agency;
- (e) the duties of the board and its directors or in the absence of a board, the duties of the chief officer or any agency;
- (f) establishing provisions relating to strategic development plans, a statement of corporate intent, quarterly/annual reports, ministerial directions and consultation, and the provision of information; and
- (g) requiring effective financial management.

The Commission on Government is recommending that the proposed commercial activities of government legislation should not be confined to corporatised bodies and discrete statutory authorities. It should be based on a broad concept of an agency which should be defined to include any arm of government or public sector organisation engaging in commercial activities, including subsidiary or associated bodies, business units or other subcategories. For example, last year, or the year before, we debated in Parliament the setting up of trading concerns within the Health Department. That was required because of the pathology service being commercialised within government.

The Commission on Government recommended that the whole issue be examined, the State Trading Concerns Act repealed and new legislation developed which would cover this more comprehensively. Has the Government given consideration to that recommendation? If so, has any work been done on replacing the State Trading Concerns Act with an alternative piece of legislation?

I reiterate to the Premier our set of questions about accountability and we seek from him a commitment that ministerial responsibility will still apply and that the Auditor General will have the ability under the Financial Administration and Audit Act to supervise these trading concerns that might be set up within departments. He has

responded to my question about community service obligations by saying that it is not his intention to use this as the thin end of a wedge that will see all of government commercialised.

With those comments the Opposition generally supports this legislation, notwithstanding the issues I mentioned to which we seek a response.

**MR PENDAL** (South Perth) [11.27 am]: I am not sure whether this is a Bill that we should ordinarily be welcoming, but tomorrow is its eightieth birthday. It allows members to return to the scene of the crime, so to speak, as did the Leader of the Opposition briefly when he referred to its origins. I was in the corridor when I think I heard him say that it was sponsored by the Scaddan Government.

Dr Gallop: No, it was a response to what the Scaddan Government did.

Mr PENDAL: I am pleased to have that clarification. Until last night I believed the State Trading Concerns Act was a direct result of the Scaddan government legislation. That was a period in Western Australia's history between 1911 and 1916 when state socialism was probably at an unprecedented level anywhere in Australia or New Zealand. It seems to me that, to say the least, it is strange that the Bill is being introduced by a coalition Government, especially in the light of the arguments maintained for probably more than a decade in the period we now refer to as WA Inc. It seems to me bizarre that we see a reversal of the traditional hostility that coalition Governments had towards state trading concerns, sufficient that I think we must bring about either the defeat of the Bill - I do not think that is necessarily desirable - or certainly amendments in two important places. I will indicate to the House two areas in which I will move amendments at the appropriate time.

In essence, the Bill seeks an expansion of section 4 of the principal Act, which outlines how and to what trading concerns the Act applies. As members will know, the activities embraced by the State Trading Concerns Act are mentioned in the schedule. The Leader of the Opposition mentioned a couple of those as a matter of historical interest. Most of them have disappeared as trading entities. He referred to the state building supplies. That was disposed of in the early 1960s by, I think, the Brand Government. The state implement and engineering works was disposed of more recently by the current coalition Government. I admit that I do not understand what we did with the state shipping service; whether we privatised it, corporatised it -

Mr Thomas: It withered on the vine.

Mr PENDAL: - or whether we let it wither on the vine.

Mr Brown: I think we Charltonised it!

Mr PENDAL: Or was it euthanased? It is interesting to have three or four interjections, all of which can mean different things. That makes me feel better and reassures me that I was not asleep at the time. I still cannot work out what the Government did with the state shipping service. Some state hotels operated until the 1950s and 1960s in Western Australia. Meat distribution - another fine piece of state socialism - disappeared early in the piece. I mentioned the state fish supply earlier by interjection.

My point in mentioning the schedule is that at least that was a transparent way of doing things. In other words, if the Government wanted to go into a new state trading enterprise, it could do that by bringing into the Parliament an amending Bill that added to the schedule. For example, if it wanted to go into the state supply of monkey glands from the Perth Zoo, it had to introduce a Bill to expand the existing schedule. Nothing in the Premier's remarks would alter my view that that is what we should be doing now. Notwithstanding what happened in the 1980s, occasions may arise when justification exists for government to go into state trading concerns. I think they do. The value in the original legislation was that the Government had to bring the Bill to Parliament and debate the addition to the schedule, rather than do it by regulation.

One can anticipate what the Premier might say to that. He may say that by doing it by regulation, it must come to Parliament anyway; it must be tabled and it is subject to disallowance. That is the thin end of the wedge for non-government members because, as we know, a tonne of material is tabled in the Parliament in the course of a week by way of regulation. It is then incumbent on every member, if he or she wants to be vigilant, to comb through that and determine whether he or she wants to move a disallowance motion. No-one in this House will convince me, or themselves for that matter, that any member has the wherewithal to do that.

Tonnes of material is implemented by regulation. I accept that the Parliament has a Joint Standing Committee on Delegated Legislation. However, members on both sides will acknowledge that that subordinate legislative approach is second best. It is brought about only because of the massive legislative activity in this place.

Mr Thomas: I thought you were an avid reader of the *Government Gazette*.

Mr PENDAL: I would normally take a lot of notice of the source of the member's information; however, on this occasion it is incorrect. I do not know that anyone is an avid reader of the *Government Gazette*. In fact, one would check the psychological welfare of someone if he were to be so.

Mr Bloffwitch: Members on the Delegated Legislation Committee take a fair bit of notice of it.

Mr PENDAL: It is good for the member that that is the case. I do not happen to be on the Delegated Legislation Committee.

Mr Bloffwitch: That is why you must have a bit of faith in us.

Mr PENDAL: It is not that I lack faith in the Delegated Legislation Committee in identifying the problems; it is what is done by the Parliament to reverse the problems with which I am concerned. There is not a great record in this Parliament of that happening. I have just finished chairing the Standing Committee on Uniform Legislation and Intergovernmental Agreements. For four years the committee sought a simple change in standing orders to equip this House to be better at the scrutiny process - and we failed. The committee system is important in identifying the problem; it is not necessarily adept at then applying a solution.

The first weakness of this Bill is the Government's desire to expand into the areas outlined in proposed section 4A by regulation and not through an addition to the schedule. That is a serious omission. It begs the question: Where do we go from here? The Government is looking to make the biggest quantum leap in 80 years in the expansion of state trading concerns. I find it odd that that is being done under the coalition Government. It is bizarre.

My concern is that one of the changes will pave the way for the Western Australian school system to be financed by advertising or sponsorships. The two amendments that have been circulated are designed to undo those two concerns of mine. The first seeks to refuse to allow the government authority to engage in commercial advertising and sponsorship in schools. The most effective way to do that is by eliminating the relevant subclause in the Bill. The second seeks to wipe out a provision by which future trading concerns can be created by regulation and without coming to the House for debate and approval.

One of the matters that concerned me in the Premier's speech was a philosophy that state trading concerns are not good unless the Government can make money out of them. Put another way, state trading concerns are good if the Government can make money out of them. We must have a deeper philosophical base on something as fundamental as this, especially in light of what happened in the 1980s. It is not good enough to say simply that the Government will get more revenue and, as a result, it can find justification in bringing about this massive expansion of the State Trading Concerns Act - the biggest leap forward in its 80 years of operation. Without going into detail, members will notice that proposed subsection (2) asks us to extend the Act to the provision of "goods" - that is pretty wide - "information and intellectual property and scientific, technical and other services." I do not have a lot of difficulty with those aspects.

For example, previous budget debates have outlined that Western Australia is selling its land tenure technology to Vietnam for a considerable amount of money. It is a credit to our land tenure and land registration expertise that a place recovering from war has adopted our system. I have no trouble if the amendments intend to cover and legitimise such arrangements, as this arrangement is certainly not in competition with the private sector; no such business operates in Vietnam. I do not have a lot of difficulty with intellectual property - as in that case I outlined - or information being included in the legislation.

The next proposed paragraph refers to "scientific, technical, educational, training, management or advisory services", and in many ways I do not have a lot of difficulty with those areas. However, we must be careful. I hope the Government will give some assurance that we will not find these organisations in competition with the private sector. For example, I am aware that recently a private operator in an eco-park in the south west sought to incorporate the Valley of the Giants into his business name, only to find that the Department of Conservation and Land Management, through Dr Syd Shea and others, stepped in and stated that the name could not be used because CALM was in the process of registering the Valley of the Giants name as a trademark. That would be outrageous if that attitude prevails. Again, a little intellectual property could be in common use and ownership and the applicants may well be allowed to use that name, but only as a result of the good nature of the department involved.

Having said that, most of those items under proposed section 4A(2) that I have mentioned so far are reasonable, even including educational services. Services may well be developed by very skilled people in the education system in Western Australia which produce some income for the State by selling that property to other jurisdictions, or to the private sector for that matter, beyond our borders. So far, so good.

However, I have real difficulty with the next step; namely, the provision of "advertising opportunities, or opportunities to participate in arrangements in the nature of advertising or having a purpose similar to advertising".

A purpose similar to advertising must mean sponsorship, and the juxtaposition of those words can only mean that the measure is paving the way for year 2 students to wear the McDonald's or KFC logos on their hats or shirts, or to have blackboards adorned with commercial information. I am not against disseminating commercial information. If the scenario I outline were to develop, learning in an uncluttered environment for a child may become a thing of the past.

If we cannot pay for and support our education system from consolidated revenue, we are in trouble in this State. It is nonsense to suggest that we cannot support our education system and classrooms via the consolidated revenue system which has stood us in good stead for many years. We owe it to our children not to follow that course.

Incidentally, no ambiguity is involved. The words I quoted from the Bill are alluded to in the Premier's second reading speech - which was a replica of that given by the Leader of the House, on page 6780 of last year's *Hansard* - when he referred to "advertising opportunities, which would include sponsorship". That reference to sponsorship in the second reading speech makes the intent of the legislation much more explicit than the wording of the Bill. The game is given away.

It is fundamentally wrong to go outside government revenues to provide the most fundamental and basic government services. No-one in the Chamber would disagree that the first call on government funds is education, then health and then the social safety net for people who cannot look after themselves. After that, everything else becomes a luxury.

It is odd for a Liberal-National coalition to introduce such legislation, albeit that it is seeking to prevent any ambiguity and ensure no scope for illegality remains regarding activities government departments pursued in the past. That intent is fine as far as it goes. However, it is odd, to me at least, that a coalition of a Liberal-National Party persuasion would seek to not only expand these practices, but also entrench the trading activity in legislation, the like of which coalition members spent a decade in the 1980s and early 1990s, with good reason, violently opposing.

It is more surprising that the Government wants to legislate the two aspects to which I take exception. Those matters will be the subject of amendment. Therefore, I will vote for second reading of the Bill as the Government is entitled to that support but, by the same token, I seek in Committee amendment of the Bill of the kind I have mentioned.

**MR BROWN** (Bassendean) [11.48 am]: Nobody could object to the expertise within government being used to create profit to ease the burden on taxpayers of this State, provided that such expertise is not used in a way to cut across the first obligation of a Government; that is, to provide community services, whether they be in areas such as education, health or the social service.

As a matter of raw principle, if a particular program, computer design or intellectual property has a value that can generate an income through selling that property or its patent overseas and interstate, it is hard to argue that such a transaction should not occur. Indeed, many reasons other than raising revenue could be given for taking that action in the broader community interest and in building closer ties between Western Australia and other Australian States and, more particularly, with other countries.

Is there a downside to this Bill? I suppose it is a question of how it is implemented, what are the checks and balances and what are the implications for Western Australian taxpayers and departments and agencies which decide to take on that partly commercial role. I will address the second issue. I do not oppose this Bill. The Leader of the Opposition has already indicated that members on this side of the House will support it.

The application of the powers contained in the Bill is a cause for concern. I will perhaps join in the Committee debate with the member for South Perth on both his amendment and amendments the Opposition may move. The Opposition's decision to move amendments will depend on the answers to the questions it has put to the Premier. It is pertinent to note that the second reading speech refers to the cost recovery arrangements. It states-

The effect has proved a disincentive for departments to identify new sources of revenue which financial management reforms, such as net appropriations for departments, were intended to encourage. These include pay for use or cost recovery arrangements.

That statement, taken in its boldest sense, means the Government may be looking at the implementation of further fee for service arrangements. While there are grounds for a fee for service to be charged in some circumstances, in others there are not because the services provided are community services. They are services which the community in general expects the Government to provide free of cost - I do not mean free in the sense that it does not cost anything to run the service, but that the recipient of those services is not required to pay a fee. My concern with that statement and the provisions of the Bill is that the legislation will open up the possibility of a fee for service being charged in a range of areas which currently are not contemplated. That will skew the use and the provision of community services as Western Australians currently understand them.



The soul of a Government can be measured by the services it provides to those people in the community who are most in need. This Bill could be used to disadvantage those in the community who are most in need of assistance and, if a fee is charged for assistance, they will be denied it. For example, recently the Legal Aid Commission was forced to impose a \$50 service fee because of the cuts to its funding by the Federal Government. That is not a great amount to some people, but to others in the community it is a very significant amount. There is no doubt that for the lowest paid or those on minimal incomes who are on extraordinarily tight budgets the imposition of this fee will exclude them from getting that legal service or advice. Likewise, a number of services are required by people facing difficult circumstances and if we impose a fee on those services, these people will be excluded from accessing them.

My first concern is what the cost recovery arrangements might mean. If I read the Bill correctly, although the Government is required to go through a regulatory process in prescribing a financial entity, once that prescription is made the financial entity, be it a government department or government agency, is free to charge a fee for services it provides. The situation may arise where a government department or agency which provides a community service will develop, within the provision of that community service, systems which are of a commercial value and could be sold internationally. I would have no objection to the department or agency gaining revenue from it, but I would object to that department or agency charging a fee for services it has traditionally and customarily provided to Western Australians. The mere fact that a financial entity requires regulation does not of itself guarantee that the concerns I am raising will be dealt with. From my reading of the Bill, once an agency is prescribed it will be able to charge a fee for services of any description and not simply a fee for services - services, goods or equipment - which are being used out of Western Australia or Australia.

Mr Court: There is nothing stopping them from charging fees locally.

Mr BROWN: That is right, but this Bill gives a wide mandate. This issue should be addressed and we should not be using this Bill for that purpose.

The second reason for my concern is the reference in the second reading speech to "participation in international business ventures". If that is to occur we must consider the accountability of government to Parliament for any involvement in such ventures. To what extent will the Parliament be advised of funds invested and of taxpayers' money or the State's expertise being put at risk? The current measures providing such parliamentary accountability are not satisfactory. I refer members to the many questions on notice I asked last year about government contracts. The answers I received neither answered the questions nor provided the information sought. They simply provided standard information, obviously written by a level 2 clerk, which said that government contracts are looked after by the appropriate government department, and I was provided with the guidelines. I did not seek that information. I sought details of the contracts let by departments and agencies. There was a deliberate, consistent refusal by every Minister, almost without exception, to provide that information. The Parliament could not get it. Therefore, when the Opposition sees Bills with a proposal to go into what is described as international ventures it wonders whether it will get any information on it from the Government.

Mr Bloffwitch: You will get a lot more with this than without it.

Mr BROWN: There is no guarantee of that.

Mr Bloffwitch: The Minister must be informed of any development.

Mr BROWN: Presumably the Minister is informed of other departmental arrangements. My concern is not that the Minister is not informed but that the Parliament is not informed.

Mr Court: Except that the department must continue to report under the FAAA guidelines.

Mr BROWN: Perhaps it is reporting, but it is -

Mr Court: That was the question the Leader of the Opposition asked, and I will answer it in my response.

Mr BROWN: The Premier might wish to address this question, because it is a matter I intend to pursue in this debate and other debates. I refer to the degree to which this Parliament will be able to extract information about government contracts. It is not unreasonable to expect to be provided with that information. Taxpayers' funds are being used to provide goods or services to the community of Western Australia, and this Parliament and its members are entitled to the details. They are entitled to know who has won the contracts, the criteria on which they have been awarded, the services being provided, which services are required and which went to tender, and whether the contract was issued to the person who submitted the lowest bid - and, if not, why not. All of that information is important as it relates to accountability and whether some blue-eyed boys or girls are getting favoured treatment in certain areas. It is relevant to the question of whether an unhealthy relationship exists between certain members of this Parliament and those in the private sector who are winning contracts. Unless those issues can be tested in this Parliament, we have no way of knowing whether taxpayers' money is being used in a legitimate and cost-effective manner.

I am concerned when a Bill such as this comes before the House and whether we will get that level of reporting, because we have not had it over the past four years. Ministers have not been prepared to come into this House to disclose exactly what has occurred - what has been invested and why it has been invested - and to put all of the details on the table and make them available for scrutiny.

Another question that is raised by this amendment is the degree to which the focus of departments and agencies might change. Departments and agencies focus their attention on providing community services to the people of Western Australia. That is not to say that they do not take a much wider view and look at what is happening around the world. However, their focus, attention and concern should be on providing quality goods and services to the people of this State. As soon as one allows departments and agencies to enter into international business arrangements, to market products overseas and to use personnel in different parts of the world, one changes their focus and ethos. That is particularly so if Ministers are issuing edicts saying that because a department or agency has been able to break into a market and earn certain revenue, it should expand its operations into the marketing business and seek to extend its range of products or services in return for improved revenue.

There is also the question of where departmental and agency expertise will be used. Will we see the very best expertise, the most professional officers and experienced people being used in this way to generate revenue for the State rather than focusing their attention on improving services for the Western Australian community? That matter cannot be left to chance; we cannot simply say that there is no need to worry about it and that we should trust it to fate. We in this Parliament should ensure that that does not occur. I would like to know from the Premier, either now or during the Committee stage, what checks and balances will be put in place to ensure that the focus is not shifted away from servicing the public of Western Australia into more commercial activities.

Another issue of concern is the degree to which departments and agencies will invest, either in personnel or equipment, in order to market their services internationally. Are we likely to see additional appointments, contracts issued and equipment purchased to enable departments and agencies to become more geared towards selling intellectual property or goods and services - particularly services - internationally? This Parliament should have that information, but it is very difficult to get it at present. For example, Ministers have consistently refused to provide this Parliament with details about public sector appointments. When we have asked who comprised the selection committees, what was the criteria used for the appointment of a particular person and so on, Ministers have said that they cannot provide that information because the Public Sector Management Act does not allow it. Of course, Ministers are permitted to provide that information under that Act. The Commissioner for Public Sector Standards has obtained a legal opinion saying that there is nothing in the Act that prevents Ministers providing that information to the Parliament. The only limit in the Act is a prohibition on members of Parliament and Ministers interfering in the appointment and selection process. Once that process is completed, there is nothing preventing that information being provided to the Parliament. However, consistently and persistently Ministers have refused to provide it to the Opposition on the basis that to do so would be a breach of the Act; clearly it is not.

Accountability is significant and I look forward to the Premier's response in relation to those issues and the quality of the answers we will receive in future. Suffice it to say that if we do not get some fairly strong assurances, I will join with the member for South Perth and others who seek to include some checks in this Bill.

**MR BLOFFWITCH** (Geraldton) [12.09 pm]: It never ceases to amaze me when I listen to members in this Chamber saying that the Government is not going far enough or doing the job well enough. Until the introduction of the State Trading Concerns Act and these amendments, we had no control over what was going on in relation to international or state projects and ventures. This Government has introduced legislation that allows corporations to enter into the private market and to compete with the private sector. There is an inherent danger in this activity. The Opposition has said that it is wonderful. I disagree: It is not wonderful at all. It must be confined to a very specific area; that is, the corporation must be providing a community service.

The Geraldton regional prison laundry management faxed every hotel and business in the local area saying that it could do their laundry for one-third of what they were paying the Geraldton laundry. As a result, it scooped the market. People knocked on my door and asked why the Government is providing equipment and paying the prisoners virtually nothing and allowing them to compete in the market. I said that I thought it was a social issue and involved trying to get people going by instilling enthusiasm in their work. Those people then said that they had \$400 000 invested in their laundry and they were not doing enough business to even service the electricity costs because all their customers had dried up. I thought about that. I thought that, if every government department decided to go into private ventures for which government provides the capital equipment, particularly in the prison situation where inmates are paid only \$1 or \$2 an hour, it would be a very attractive commercial operation.

Mr Thomas: What would happen if the prison were privately owned and run?

Mr BLOFFWITCH: We would have to put the same controls on a private prison as we should have on a public prison. It is no different. Why should someone who employs staff and has paid for his or her capital equipment have to compete against a government enterprise doing the same thing. In the end, I intervened. I went out there and reached a compromise. The prison now does the laundry of the regional hospitals and government departments, leaving the private work to the private laundry. We must have regulations and standards to control this sort of enterprise.

The amendments in the Bill attempt to provide checks and balances for the Tourism Commission and the Department of Land Administration in its dealings with Vietnam and that sort of enterprise. That is all the Government is trying to do. The member for South Perth said we should only add to or subtract from the list by way of legislation. If we do that, we might as well do away with the whole system of regulation, because in the time it would take us to pass an Act allowing the State to participate in a trade show to try to sell skis, for example, the show would be over and it would be a *fait accompli*. Of course we have to use regulations or something that gives us speed to deal with projects. These enterprises will be developed daily within government departments. Dozens of regulations are being applied. Unless new ventures can be added through a list in the *Government Gazette* they will be stifled; nothing will happen.

How long did it take for the Anti-Corruption Commission legislation to get through the Parliament? When I first came into Parliament six years ago, the Labor Government talked about putting through amendments to the motor traders legislation. They still have not gone through. Is that how long we have to wait for legislation to pass through this place? Of course we have to use regulations.

Mr Thomas: What happened to accountability?

Mr BLOFFWITCH: There is as much accountability in using regulations as there is in introducing a Bill. Regulations are tabled in the Parliament and are placed in the *Government Gazette*. The big advantage with a regulation is that it can be disallowed on the motion of a member. The member for South Perth said that that never happens. There were six motions for disallowance last year.

Mr Pandal: How many regulations?

Mr BLOFFWITCH: Probably 1 500 or 1 600.

Mr Pandal: I rest my case.

Mr BLOFFWITCH: The committee considers every regulation that goes through this House. A research officer gives us a report on every one of them. If a regulation is of particular interest to me, I look at it more closely than I would normally. The committee has the opportunity to disallow or pass regulations. That has been going on since the committee was set up; regulations are well considered. As I said, I can think of six regulations that went to the Minister. However, they were not disallowed; he withdrew them because he did not want them to be disallowed. That is the type of check the member for South Perth is talking about. The Parliament has the opportunity to disallow regulations. If the member is concerned about regulations, he should talk to me about them and I will get the committee's research officer to let him know when they are being dealt with so that he does not have to look in the *Government Gazette*.

Mr Pandal: My concern is that your party spent 10 years in this place talking about public accountability and parliamentary scrutiny. That is my concern.

Mr BLOFFWITCH: I assure the member that the scrutiny of regulations is as good as if not better than it is of a Bill. The delegated legislation committee was formed because of the number of new enterprises being considered. Under the regulation system, a schedule will not have to be brought back 20 times and amended. That is exactly why we have regulations. However, if that is not the way the member for South Perth wants to do things, he should move an amendment to the Bill, but I will not support it. The intent of the legislation is to give flexibility to departments to put new enterprises on the list and make them subject to controls including the Minister's being informed before any new enterprise goes ahead. That is a far cry from what we do now. It is an improvement on what is done now and I believe this Bill is well overdue.

These amendments must be passed because the Government is moving more and more into the private sector. We have to be very wary about who these new enterprises affect and the role the Government plays when it moves into the private sector. I support the Bill.

**MR THOMAS** (Cockburn) [12.13 pm]: I am in favour of the Bill and what it intends to do. I also appreciate there is a need for safeguards to cover the shortcomings in the legislation. Attention has been drawn to those by the member for Bassendean and the amendments which were foreshadowed by the member for South Perth. The member for South Perth drew attention to matters which I hope all of us find distasteful; that is, the Government's finding

sponsorship to fund some of its activities. It sticks in my gullet when I see community policing vehicles with "This vehicle is brought to you by Titan Ford" written on their sides. Have we reached the stage where our police cars are to be sponsored by private companies?

Mr Bloffwitch: Would you rather they not have a vehicle?

Mr THOMAS: No, I would not rather they did not have a vehicle.

Mr Wiese: Do you realise that without sponsorship they would have no vehicles?

Mr THOMAS: Policemen drive them, they have police colours on them and they purport to be police vehicles.

A dilemma is that schools must provide for additional activities. They must ask themselves whether they should undertake additional activities. There will always be something extra which is not provided for in the Budget. Therefore, they may charge fees, seek sponsorship or whatever in order to undertake those activities. Globally we are a relatively affluent society. We should be able to provide such facilities for schools and the Police Service without the need for sponsorship. If the activity is an important function, funds should be provided out of consolidated revenue or some other appropriate form of revenue and schools should not be dependent on public sponsorship. What would happen if there were no corporation which wanted to provide the sponsorship? I am not critical of the companies, because it is public spirited of them to do it. However, we as a society are cheapening ourselves if we are dependent upon public sponsorship for those activities. The member for South Perth properly drew our attention to it. The amendment he foreshadowed in that area has merit and will receive support from this side of the House. Having said that, I support very strongly the basic thrust of the legislation.

Some years ago I had the enjoyable and rewarding task of chairing a select committee of this House on science and technology. One of the areas we looked at was the capability of government services creating valuable intellectual property which could be sold in Australia and overseas. It is often in the nature of science and technology but it also applies to clever administrative techniques which could be applied in other areas. The one quoted most often is land titling systems. We are in the market and seeking to sell, so far unsuccessfully I might add, to Vietnam and other countries in Asia. It is a desirable activity which must be encouraged. Government services are provided by the States. The Commonwealth essentially raises revenue and provides some areas of services and funds to the States. The infrastructure of roads, water, energy and other services is provided essentially by the States.

Mr Court: Not always. All the major new roadworks in Victoria and New South Wales are undertaken by the private sector.

Mr THOMAS: Okay, but under the legislation the provision of that service falls within the jurisdiction of the States. They may build the infrastructure themselves or get the private sector to do it but, nonetheless, it is the States' responsibility. In the infrastructure and the utilities of the States some technologies are marketable. Probably the best known example of an organisation which developed technologies and skills and marketed them overseas is the Snowy Mountains Engineering Corporation. One can find SMEC offices in all sorts of surprising cities throughout Asia. They may be in places other than Asia, but I am familiar with their operations in Asia. That organisation was established to build the Snowy Mountains scheme, in the course of which it acquired a considerable amount of expertise. Subsequently, it has operated successfully in Perth and throughout Asia as a consultant and undertaking engineering work itself. That is very desirable. Within the organisations of the State there also resides similar expertise. Among those which come readily to mind are the Health Department, the Education Department and the basic utilities themselves.

When we were debating the Electricity Corporation Bill in 1994, the second year of the last Parliament, I put the proposition to the Minister that the Electricity Corporation should be encouraged to engage in those sorts of activities. It is very desirable for a number of reasons. Although the legislation provides for Western Power to do that, nevertheless he did not encourage it and felt that the corporation should concentrate on its core business, which is providing energy services in Western Australia. I guess that is the case. Nonetheless, it is very desirable that public sector organisations are able to engage in those sorts of activities without interfering with their core business. We do not want the tail wagging the dog. However, if organisations are able to do so, they should do it. Not only does it raise revenue, which is desirable, but also, among other things, it provides career opportunities for people in the organisations who have the opportunity to work overseas. It allows them to engage in work of wider scope than that in which they would be engaged in their normal work. The enterprise which is most often quoted is the Vietnam land titling system. Vietnam needs a land titling system. Our system's legislative base and technology are among the best in the world. We are trying very hard to sell it to Vietnam and other countries that need both a legal system and also a method of administering it. Giving the people who work at Department of Land Administration the opportunity to engage in that will widen their horizons and give them work opportunities they would not otherwise have. That is very desirable. Also - this is very important - the consortium includes private sector organisations, surveying

companies and other people engaged in the land administration industry, for want of a better phrase. This would provide the opportunity for people in the public sector to work with those in the private sector. People move increasingly between the sectors. If there is any doubt that consolidated revenue fund departments, which are not trading concerns for the purposes of the State Trading Concerns Act, should be able to engage in those activities, it is good that this legislation is here to authorise it. Indeed, it was one of the recommendations of the select committee that I chaired. There are not too many others being acted upon, sadly, but the Government is acting upon this one.

The points to which the member for South Perth drew attention have validity. There must be accountability. The state organisations are here to provide services to the people of Western Australia and the entrepreneurial side of their businesses must be incidental to that core business. There must be accountability to this Parliament. The amendment foreshadowed by the member for South Perth - I believe there will be another - goes a long way towards satisfying the requirements of accountability.

The member for Geraldton said that it is not necessary to have authorisation by the Parliament for those activities because that could be done by regulation. As was pointed out correctly, none of us has the time to read the *Government Gazette*. It is all very well for him to say that the Delegated Legislation Committee can undertake that task. He is on the Delegated Legislation Committee. People are doing that job but one cannot say it will always be the case. The Delegated Legislation Committee may have a job to do but the Parliament as a whole also has a job to do. I am not a member of the Delegated Legislation Committee but I want to know, and I want to have the opportunity to authorise these activities if they are not being undertaken. They are not so numerous that it would be an onerous responsibility to require direct authorisation by, and reporting to, the Parliament. The amendments foreshadowed in that area will satisfy the standards of accountability which we all agree must be observed.

**DR CONSTABLE** (Churchlands) [12.30 pm]: I wish to add some brief remarks to debate on this amendment Bill. It is worthwhile returning to the original Act in 1916 to note the reasons for that enactment. That legislation was enacted to regulate the activities of government by prohibiting government trading concerns being involved in commerce without the express approval of Parliament. That is the key. As the Act stands, parliamentary approval is required for the Government to be involved in trading concerns. This amending Bill will change that arrangement dramatically, and that is why we are considering this matter today.

I turn now to the report of the Royal Commission into Commercial Activities of Government and Other Matters in 1992, part II which states -

Government involvement to some degree in commercial activity is inevitable.

I agree with and approve of that. However, today we are not considering whether the Government should be involved in commercial activity - because that is accepted - but how the Government goes about it and the accountability measures which should be in place when the Government is involved in commercial activities. We have here a few words in the amendment but they take us down a new path and into a new era in government involvement in commercial activity, and that is why it is important to examine it closely. For instance, section 4(2) provides a list of possible activities involving goods, information or intellectual property; scientific, technical, educational, training, management or other services. The contentious aspects are advertising and sponsorship in various government activities.

The Premier's second reading speech ends with the words -

Mr Speaker, this Bill provides an important step forward in advancing the Government's financial management reforms.

I am not sure whether it does take an important step forward. I suspect it takes one step forward and one step backwards. If and when the legislation is approved by Parliament, a range of new commercial activities will be able to take place without the express approval of Parliament, and with one stroke of the Treasurer's pen he will be able to approve regulations. By regulation the Treasurer will be given power to authorise new commercial activities.

Returning to the royal commissioners' report, at page 3-25 it recommends the repeal of the State Trading Concerns Act and its replacement by what it called the "State-owned Companies Act". The reason for the repeal of the Act and its replacement centred on the need for accountability and transparency in government commercial matters. The Commission on Government also recommended the repeal of the legislation that we are now amending. It recommended its replacement by what it called the "Commercial Activities of Government Act". No matter the name of the recommended new legislation, the reasons that both the royal commissioners and the Commission on Government recommended that way was that the new Act should set out an accountability and regulatory regime for all commercial activities undertaken by any entity within the public sector. This amending legislation does not do that.

It is interesting that the Government's response to the Commission on Government was to agree with its recommendations that the State Trading Concerns Act be replaced and that new, modern legislation appropriate to the late 1990s, be introduced so that we have proper accountability measures in place. This amending legislation represents a step backwards because there is no new accountability measure within it. Instead of the Parliament being given the role of approving commercial activities, that will be done by regulation. I would like to see the recommendations of the WA Inc royal commission and those of the Commission on Government - agreed to by the Government in its response - being implemented today. Given that that is not the case, I foreshadow an amendment in the form of a new section which will require proper annual reporting by any approved financial entity, which will mean that Parliament will at least see a report each year relating to these commercial activities. In that way, at least we can keep an eye on what is happening in government enterprises. I am not against government enterprises, as I have said, but I want to see proper accountability and reporting to this Parliament.

The question that arises in my mind is why the Government is taking this step rather than implementing the recommendations by the bodies I have mentioned. Why are we not repealing the Act and bringing in new legislation as recommended? I hope the Premier in his response to this debate will answer that question. Is this because commercial entities operate and have not been brought before Parliament? Why are we going down this path?

I have concern, as have many other members, which I will mention briefly because a lot of detail has already been outlined this morning. I am concerned about the aspect of the amendment relating to advertising and the possible sponsorship associated with it. I, too, do not approve of the notion of sponsorship in the form recommended in this amending Bill. One can foresee school children being involved in that sponsorship, and that is wrong; and in other government activities blatant sponsorship by companies is not the way to go. I will be supporting the foreshadowed amendment on that aspect.

In summary, I accept there is merit in the Government's being involved in some commercial activity. As the royal commissioners said, we will always have government involvement in some commercial activity. It is not what the Government is proposing which is of concern, but rather how it proposes to go about doing that without proper accountability measures in place.

**MR RIPPER** (Belmont - Deputy Leader of the Opposition) [12.38 pm]: This Bill raises a number of interesting issues; in effect, it proposes to allow government departments to operate trading concerns to take advantage of the expertise and intellectual capital they possess. I have concerns about both sides of the issue. First, as a priority, I would like our government departments to be concentrating on the delivery of services. There is a danger that the service delivery focus could be compromised by overconcentration on the glamorous world of commercial dealings. I would not like the best and brightest in the public sector to be devoted in their work to the new commercial fields opening up as a result of this legislation and some of the other trends that are occurring in the public sector. I would not like them to be allocated to this work rather than to the core activity of government departments which should be the delivery of quality services to the Western Australian public.

On the other side of the argument, there is a case for us to try to get maximum value from the assets and expertise which exist in the public sector. The difficulty for all Governments is that people do not want to pay additional taxes but they do want better quality services. Therefore, all Governments find themselves in the bind of having to raise the money that is required to provide the services that are demanded by the public. This Bill provides some limited relief from the taxation and service delivery binds in which the State finds itself through the opportunity to make better use of the assets and expertise of the public sector and thereby obtain revenues which cannot be obtained through our taxation system. It also offers the opportunity for some recognition of the work that is done by public servants. Public servants sometimes feel some frustration that their expertise is not recognised -

Mr Bloffwitch interjected.

Mr RIPPER: I will try to be more interesting.

Mr Bloffwitch: Sorry; I seem to have heard it before.

Mr RIPPER: In some cases, public servants know that they are better at what they do than are their equivalents in the private sector, but under current circumstances they are often not allowed to demonstrate that they are better and to compete with their private sector equivalents. The advantage to the public sector of exposing public servants to the realities of the commercial world and to some competition is that while they might think that their expertise is equivalent to or better than that in the private sector, there is no surer test than the market for determining whether their view of their merit is accepted by the rest of the world. If public servants were exposed to commercial realities, the public sector might better understand the quality of the work that is done in the private sector and the state of play.

There are arguments on both sides, and those arguments lead us to conclude that some limited expansion of public sector involvement in commercial activity is appropriate, but it must be subjected to close parliamentary scrutiny.

This Bill proposes that trading activity by public sector departments be authorised by regulation. The member for South Perth has argued that it should be authorised not by regulation but by approach to the Parliament. I have some difficulty with that argument, and I will be interested in the Government's response, because commercial activity involves the need for timely action. I would be concerned if a public sector department that wanted to sell, for example, a land information system to Vietnam could not proceed with its activities because a Bill was required to go through the Parliament but there was a log jam in the legislative program and that Bill could not go through for six months or 12 months. Far too many small Bills are dealt with in this Parliament, and we deal with many more Bills than do many similar Parliaments. This legislation would add to the number of Bills with which we had to deal in a year.

The necessity for legislation to be passed could also compromise the commercial viability of some of the proposed activities. I have some reservations about the argument put by the member for South Perth. I believe that authorising the activities by regulation would be satisfactory, but it would require the Parliament to treat the scrutiny of regulations with rather more seriousness than it treats it at the moment. We have a Joint Standing Committee on Delegated Legislation. I have served on that committee, so I know what it does.

Mr Bloffwitch: Not in the past six years.

Mr RIPPER: No, but I have been here longer than six years and I have served on that committee. It is a good committee and performs a valuable function, but beyond the members who sit or have sat on that committee, there is inadequate scrutiny of the regulations that are made by the Government pursuant to legislation which has been passed by this Parliament. As we all know, the devil is often in the detail, and a regulation can have much more impact on the lives of citizens and on society as a whole than can the authorising of legislation. The Parliament must pay more attention to what is done with regard to regulations.

A particular area of concern with regard to this legislation is proposed section 4A(2)(b)(iii), which states that a trading concern is authorized for the purposes of section 4(2) if the trading concern consists of a prescribed activity involving the provision of advertising opportunities or opportunities to participate in arrangements in the nature of advertising or having a purpose similar to advertising. In layman's language, that would allow the public sector to sell sponsorship and advertising rights.

Mr Bloffwitch: Like the advertising that MetroBus has on the buses. Why not?

Mr RIPPER: I will deal with that question, because the member for Geraldton made a valid point with regard to many public sector agencies. One set of public sector agencies in which I am particularly interested is schools, because I am the opposition spokesperson for education. The increasing trend towards commercial sponsorship of schools and school activities has implications for both curricular matters and equity in our school system. Some schools have greater access to sponsorship opportunities than do other schools, and that leads to the real danger that our schools will be resourced unequally.

Mr Bloffwitch: That is the case now.

Mr RIPPER: I am pointing to a problem which this legislation might exacerbate. Schools where the students come from business and professional families will have more opportunities to seek sponsorship than will schools which have a largely working class clientele. Other schools will have more opportunities to seek sponsorship because of their close geographic location to commercial areas. Although the schools in my electorate do not have a large number of business and professional parents, they might have greater access to sponsorship than will other schools because of their close proximity to the airport and a large commercial area.

We are moving towards a devolved school system. Differential resources between schools will have serious implications for equity, particularly if we allow schools to hire and fire teachers. Naturally, teachers will be attracted to those schools which can provide a more congenial teaching climate and which make available additional resources for innovative education programs. The combination of local school based hiring and firing and access on a differential basis to sponsorship resources could be quite pernicious for equity in our system. We could end up with two types of schools. Rich schools in well located areas will be able to raise moneys from parents and attract sponsorship, and by virtue of local hiring and firing provisions will be able to attract the best quality teachers. The other type of school is one that is in a poor area where the parents do not have much money to contribute to school fundraising, where the teaching climate is demanding because of the difficulties the children bring to the school, and where there is no opportunity to raise money through sponsorship. Those schools will not be able to compete as well as the richer schools in the hunt for teachers with talent. On the one hand those students with the most disadvantages and who present the greatest educational challenges attend schools with the least resources and which are missing out in the competition for teachers of quality. On the other hand students who are already advantaged will end up going to the schools with greater resources and better teachers. We must be concerned about this.

We must watch it very carefully because the government programs which provide some additional support to schools in disadvantaged areas are under threat. The Minister for Education cannot guarantee that those priority schools which are presently receiving extra money as a result of commonwealth and state programs will continue to receive that additional funding in the future as a result of changes to commonwealth programs. We are undermining the limited support that is now offered to disadvantaged schools at the same time as a combination of trends is creating the circumstance where schools might be divided into the well resourced or the poor.

This is not the only concern we should have with regard to schools. There is also a concern about curriculum material. Many vested interest groups in the community would love to have an influence on the curriculum, to get their material into schools to influence children to adopt attitudes and beliefs which will advantage those interest groups in the future. I do not have an absolute opposition to useful material being provided by different groups in our society for use by teachers in schools. However, it is important to ensure the teachers in our schools are not captive to the material that is provided by various vested interest groups. Our teachers and our schools must maintain a capacity for a critical approach to the material that is provided by outside groups for use within schools. There are many sensitive issues in our community; for example, the divergence between environmental groups and mining groups. I do not mind that these groups provide information for use in schools; however, I do mind if teachers have no other resources with which to give their students an ability to deal with this material in a critical and balanced way.

We need to be very concerned about the potential impact of this legislation on our schools. The member for South Perth has proposed that the section about which I am concerned be deleted from the legislation. The Opposition is considering whether it should support his proposed amendment. Our view will be influenced to a certain extent by the way in which the Premier responds to the arguments that have been put by both the member for South Perth and the Opposition.

I do not want to see a complete cessation of commercial assistance for schools. If a company that builds spas wants to donate and construct a spa for students with disabilities in an education support centre and it wants to place a small nameplate on the spa saying that it was donated by Smith Pools and Spas, that is a good thing for those students. However, that is a little different from the Education Department establishing a trading concern that sells sponsorship rights, that actively seeks sponsorship rights and advertising rights, and tries to get as much of this sponsorship and advertising into the school system as it can to obtain money to make up for the resources that should have, but have not, been provided by the State Government.

That is not to say there are no difficulties with the simple acceptance of gifts. I would like to see some regulation on that as well, to cope with the equity arguments I have been putting. For example, I understand in New South Wales sponsorship beyond a certain limit for a school goes into a central fund to make sure that the poorer schools that do not have access to sponsorship resources get some access to the sponsorship dollar. Even with the question of gifts, I do not think we should simply say that particular schools should be able to accept gifts on an unlimited basis. Some of those gifts should be redirected into a central fund for the benefit of the whole system. That is a separate issue from the Education Department actively seeking advertising and sponsorship which has even more substantial equity implications and implications for the integrity of our curriculum.

The member for Geraldton asked why a public sector agency seeks sponsorship or advertising. I can see some circumstances where his argument is correct. For example, the Western Australian Tourism Commission might establish a business where it seeks sponsorship for its overseas tourism promotion campaigns. That seems to be a legitimate activity. A trading concern might be established to promote space on government buildings or billboards spots on government land being available for advertising purposes. That seems to be a legitimate activity.

The Premier might say that my business ideas do not come up to scratch, but I am merely indicating some examples where, if they were commercially feasible trading concerns and established under this proposed section, they might be satisfactory. I repeat: The Opposition is considering joining with the member for South Perth in seeking the deletion of this proposed section from the legislation because of its concerns, in particular, about the position in schools and other sensitive areas of the Public Service. However, we can see some cases in which this piece of the legislation might be valuable, and we will listen with great interest to the Premier's response to the second reading debate.

**MR COURT** (Nedlands - Premier) [12.58 pm]: The Deputy Leader of the Opposition spoke quite a bit of sense on a number of the issues he raised. I am glad he will consider the position in relation to advertising. It would be crazy if, through the stroke of a pen, we ruled out the opportunity for a number of organisations - the one he raised in relation to disability services is a classic - to accept some proposals that come forward. I will come to that in more detail later. I also agree with his concerns about government departments taking their focus away from the delivery of core services and getting excited about - in the terms used by the Deputy Leader of the Opposition - glamorous, commercial opportunities that might arise. I will take it one step further - that might arise overseas.



I saw this happen in the previous Government. It is terrific if we can get a little project from overseas. I recall one project that has ended up being a commercial success for the Singaporean Government, but not us; that is; the underwater world facility in Singapore. That was a beautiful little commercial project to guarantee people could go to Singapore whenever they wanted. I share the member's concerns. It is damned hard work trying to get a commercial deal - for example, the land titles system in Vietnam - in place. At the end of the day I think we have missed out on the main contracts and other countries have come in and won that work. A number of issues have been raised which I will address in my response.

*Sitting suspended from 1.01 to 2.00 pm*

**[Questions without notice taken.]**

MR COURT: Just prior to the lunch suspension I made some comments primarily directed to the speech by the Deputy Leader of the Opposition. I supported his concerns in relation to the tendency of departments at times to move away from the delivery of their core services and to get involved in some of the more exciting and glamorous commercial areas if they have that opportunity. I share his concern about that tendency.

The Leader of the Opposition also asked whether it is the Government's intention to use this legislation on a narrow base. Being realistic, if the legislation allows it to be done, one must also assume that it can be done widely. However, it is the intention that it be very narrow. As a Government, and particularly in light of the events we witnessed during the WA Inc years, we are very nervous about any government agencies with offshore operations. I have responsibility for one agency that has had reasonable success; that is, the Gold Corporation.

Mr Thomas: A great Labor initiative.

MR COURT: I am pointing out that the risks involved include the fact that the agencies do most of their business offshore and some joint ventures involve foreign Governments or overseas companies. In those areas, the Government relies heavily on a very professional board to keep tight control as best it can.

The Deputy Leader of the Opposition addressed two main issues: First, the accountability provisions for those activities if they are approved. Primary accountability relies on the fact that any activity carried out by a department or agency is automatically covered by the Financial Administration and Audit Act. The department or agency must automatically comply with the reporting requirements and the accountability controls in that legislation.

The Deputy Leader of the Opposition also asked whether the Auditor General audits these operations. He could because it would be part of his general supervisory functions; that is, to audit properly departmental and agency operations, and those operations must be carried out in accordance with the FAAA.

That question led to the next point raised by the member for Churchlands, who has foreshadowed an amendment whereby a department or agency involved in these different activities must provide details of them in an annual report. I am advised that under the legislation departments and agencies must provide that annual report anyway. Section 62 requires the accountable officer to prepare an annual report containing financial statements. Section 62(1)(c) provides for a report on the operations of the department and paragraph (d) provides for such other information as the Minister may direct in writing. All of the activities of the department must be reported on in the annual report. We will certainly have a look at the amendment. I do not see that the amendment would have to be included, if that is the case.

The main points that the Leader of the Opposition raised were as follows: First, what are the main accountability provisions - that is caught up in the Financial Administration and Audit Act; secondly, the Auditor General is responsible; and, thirdly, the Government intends to have it operate as narrowly as possible. If I may go back a bit into the history of this, the Leader of the Opposition outlined why it was established in the first place. We then went into the WA Inc years, which concentrated a lot on government becoming involved in business. Our intention when we came into government certainly was to abolish the state trading concerns legislation. It was brought to our attention that different opportunities were arising where government departments wanted to be involved in selling intellectual property or in other arrangements overseas. The present legislation provides that it cannot be done for profit. We find ourselves in this difficulty. The path we have chosen is to amend the current legislation, to ensure that it can happen under certain guidelines. The alternative would have been to scrap the legislation and start with new legislation, calling it commercial opportunities legislation or whatever -

Mr Thomas interjected.

The SPEAKER: Order! The member for Cockburn is out of his seat.

MR COURT: He is informative even when he is out of his seat. I thank him for the name.

The question was raised of why this should be done by regulation. The advice that we have had from parliamentary counsel is that this is the most suitable method of ensuring that the Parliament gets to scrutinise these arrangements. The Deputy Leader of the Opposition quite rightly said he could see many cases where there would be problems, if they had to go back to Parliament to pass legislation. It could take a long time. It might be that a commercial arrangement could fall through, if there were to be that delay.

In answer to the member for South Perth, the advice from parliamentary counsel was that it was the most suitable way in which there could be parliamentary scrutiny of the activities, remembering that I have already outlined that it covers only departmental activities and not statutory authorities, because they have special powers under their legislation. The activities must be reported on annually under the Financial Administration and Audit Act and come under the accountability provisions of that Act. The Auditor General must oversee that. That was the proposal that was put forward.

The second issue that was raised was in connection with advertising and the fact that the way the legislation is worded includes sponsorship. This again is a vexed question. In the past when an agency was given some sort of sponsorship or advertisement offer, it tended to ring up and get legal advice by asking, "Is it possible to do it under the legislation?" The advice that has tended to go back has been quite properly very conservative; that is, if there is a revenue measure and there is profit involved, the department would have difficulty in doing it under the legislation. It may well be - we believe it would be opportune in some cases - that there should be a provision whereby sponsorship can be accepted as part of a government operation.

Mention was made of community policing. I am told that was carried out under an amendment to the Police Act, which was a separate exercise. I certainly know, for example, that in the tourism industry there are many joint promotions where people try as much as they can to encourage cooperative advertising and sponsorship to get more effect for the dollar that is being spent. Our budget is relatively small but if we combine it with the budgets of a number of other operations, we can gain more impact. An example raised by another member was that if we were running a government facility and somebody offered to put in a demonstration spa facility and put a sponsorship name on it, that would come under these types of controls, if we went by the letter of the law. I suppose it is similar to disclosure in elections, where we must disclose in kind what we have received. If somebody lends us a fax machine for a week or whatever, we must write down what it is and what its worth was in kind. There are proper safeguards here for these matters to be known and to be public. I have covered the area of regulations.

Dr Gallop: What about advertising?

Mr COURT: I have covered the question of advertising, which is a difficult one. If we say that departments cannot do it and may not have sponsorship, we may rule out some opportunities which may be to the taxpayers' advantage. There is not an easy answer. It may be that a department is involved in trying to sell some technology overseas and some sort of seminar is held with joint sponsorship, which is in effect advertising. We would then run into difficulties. Mention has also been made of departments trying to sell intellectual property overseas. We are learning the hard way that it is not easy. It may be better if government technology and intellectual property were marketed by the private sector. One of the difficulties we encounter in some of the developing countries is that even though we might have the best product or service to sell, if we do not play the game we do not get the contract. I know of some examples where we have missed out because we did not play the game.

The member for Bassendean asked about secrecy provisions. I am advised that the FAAA precludes agencies from entering into secrecy provisions which would preclude the Minister from being informed of a matter. It is up to the Minister to decide whether information should be revealed; in other words, it is a question of commercial confidentiality. Under the FAAA the agency can no longer enter into an agreement without the Minister being aware of what is involved. In answer to the observation by the member for Maylands I commented that under the FAAA legislation agencies are already required to report on those activities in their annual reports. One further matter with regard to accountability is that the revenues derived from the activities to which we are referring must be paid to the consolidated fund or retained under a net appropriation. Either way, the revenues and the purposes for which the revenues have been applied will be reflected in the Budget and must be outlined in the annual report of the department. I thank members opposite for their broad support of the Bill.

Question put and passed.

Bill read a second time.

#### *Committee*

The Deputy Chairman of Committees (Mr Baker) in the Chair; Mr Court (Premier) in charge of the Bill.

**Clauses 1 to 4 put and passed.**

**Clause 5: Section 4A inserted -**

Mr PENDAL: I move -

Page 2, line 19 - To delete the words "**by regulation**".

My amendment should be read in tandem with something that will occur after the removal of those words. This amendment is designed to do no more nor less than ensure that certain activities that will be authorised by the Bill are brought back to the Chamber and dealt with by way of legislation rather than by way of subordinate legislation. It is an affront to the Parliament to deal with a matter by regulation if it can be dealt with by legislation. The schedule exists for the very purpose for which this matter is now under discussion. At least in 1916 the Parliament had the advantage of being able to specify with what it was dealing.

The member for Geraldton, I think inadvertently, gave the most powerful argument in support of my amendment when he agreed that up to 1 500 regulations are tabled each session. He seemed to be satisfied, as a member of the Joint Standing Committee on Delegated Legislation, that that was the ultimate in scrutiny. I challenge at least 80 per cent of the members of the Chamber to state that at any one time they have familiarised themselves with regulations that are tabled on a daily basis. If they have, I would be interested to know where they got the resources to undertake that scrutiny.

We are seeking to provide that, in a Parliament where we have the time and where we do not have to resort to regulation unnecessarily, legislation should be of a primary kind. Not only is that not very radical, but also it should be welcomed by every member of the Chamber. The schedule is the place for these things to occur. I will come later to the question of commercial and sponsorship advertising. The arguments are linked to some extent, but I will not break the rules by canvassing that in detail now.

It has been put to me that this is a cumbersome way of dealing with things. With all due respect, the parliamentary process is cumbersome and is designed to be cumbersome. That is one of its strengths. It is not to be regarded as its weakness. To bring something back into the Chamber in a more overt way than the making of regulations is good not only for the process of scrutiny but also to make members aware of what is going on. It is difficult enough to keep up with legislation in this Chamber when we are dealing with about 80 Bills a year. I have no doubt that the Premier, when he is in a good mood about these matters, will agree to some research assistance for members of this Chamber. It is almost impossible to keep up with subordinate legislation.

Dr GALLOP: I fully understand the rationale which has been used by the member for South Perth in moving his amendment, which is to delete the words "by regulation". In other words, we would need legislation or a change to the schedule of the Act in order for a trading concern to be established within a department or subdepartment. However, we cannot support his rationale, for two reasons. The first is an important one. The member for South Perth said that he felt that regulations were not treated as seriously as legislation.

That is not something that the Opposition will accept. The Delegated Legislation Committee should be given status, and any regulation that is tabled in Parliament should be treated as an Act of this Parliament and taken seriously. We do not accept the view of the member for South Perth that regulations do or should have less status. The Opposition anticipates there would be circumstances where the requirement for legislation to set up a trading concern would be too much of an encumbrance. This legislation provides for accountability. Parliament must endorse the regulation, and it can be a matter for debate within Parliament. It can be considered by a committee of Parliament. For that reason, it is not necessary to require the full legislative procedure on every occasion that a department becomes a trading concern. The member for South Perth has raised an interesting issue. On balance the Opposition prefers to leave the legislation as it is.

Mr RIPPER: It is not an affront to Parliament that a matter like this is dealt with by regulation rather than by legislation. Some very important matters are already dealt with by regulation. For example, the Education Act has extensive regulations that deal with the powers of personnel in the Education Department and activities within schools. It is important that Parliament has an opportunity to scrutinise trading activities entered into by public sector departments. The fact that activities are authorised by regulation does not remove Parliament's opportunity to scrutinise what will occur or is occurring. That is the sole function of the Joint Standing Committee on Delegated Legislation. Members of Parliament as a group should pay more attention to delegated legislation than they do at the moment. The mechanisms are in place.

This Parliament has a full legislative program. It probably deals with too many Bills. By virtue of the structure of existing legislation many small Bills must be dealt with on a Bill by Bill basis. That puts us in a different position from other Parliaments. For example, the House of Commons deals with fewer pieces of legislation a year than the Western Australian State Parliament. That is a remarkable comparison given the responsibilities of the House of Commons as a national Parliament for a country with a population at least 30 times the population of this State.

Mr COURT: The advice from the Crown Solicitor while we were working with the Parliamentary Counsel in drafting these changes was that regulations were the most appropriate way to ensure that Parliament scrutinises the activities of departments, so the Government will not support the amendment.

Mr PENDAL: I am surprised at the Government's response given not only what the Commission on Government recommended, but also the Government's response to COG. However, I am staggered and astounded at the Opposition's response. Of all people, the Opposition should be supporting a greater level of scrutiny.

Dr Gallop: You are implying that the regulations are not scrutinised, when they are.

Mr PENDAL: I am stunned that the Leader of the Opposition, like the famous Bourbons, has learnt nothing and forgotten nothing. Both of the two major players in the parliamentary equation are saying that if we can avoid a higher level of parliamentary scrutiny, we should do so. I am surprised that the Government is taking that tack, but I am staggered that the Opposition is doing so.

The Leader of the Opposition said that it was "an interesting issue". Without exaggerating my own argument, it is more than an interesting issue; it was a fundamental recommendation of the Commission on Government, and it was mentioned by the Royal Commission into Commercial Activities of Government and Other Matters. Like the Opposition, the Government appears to have forgotten its response to that recommendation which it issued in October last year. The same Government that is today promoting this methodology stated -

In principle, the Government supports the *State Trading Concerns Act 1917* being replaced by modern legislation setting out accountability standards applicable to trading operations of departments and non-commercial agencies. Overarching legislation for commercial agencies would be desirable in setting down the principles and objectives/framework for the operation of these bodies.

What happened between October 1996 and March 1997? If I were asking for something that was radical, that departed from the norm, that created precedent, and blazed a new trail, this Committee might be satisfied hearing the Government say, "Well, we need more time to consider following such an unprecedented path." However, none of that has been suggested. What is being proposed in this amendment is as time honoured as is possible. The last thing I would want to say in this five minute response - if, as I suspect, an arrangement has been made that there will be silence that will prevent me from speaking again - is that the coalition Government is going down exactly the same path that successive Labor Governments went down in the 1980s, which resulted in their being on this side of the Chamber. It is extraordinary that the Premier, who did so much to bring that about, should take such a short term attitude.

Dr GALLOP: I repeat that the Opposition takes accountability very seriously. That is why it supports the work of the Delegated Legislation Committee of this Parliament, which should be given status to ensure it functions properly and that any regulations brought before the Parliament are subject to proper scrutiny. The Opposition has no intention of reducing accountability; it wants accountability to increase. I raised the issue of the State Trading Concerns Act with the Premier because clearly we should move away from that legislation. The Opposition believes that is the preferred course. I asked the Premier whether work had been done on that subject. The Opposition does not want the work of the Delegated Legislation Committee reduced, with the implication being drawn that its scrutiny is somehow of a lesser quality than if an issue were raised in legislative form.

Mr COURT: As I said in the second reading debate, the Government intended to repeal the legislation but certain issues arose on how to put controls in place with some of the activities being examined by different departments. It was decided at this stage to amend the legislation to provide proper accountability.

The member for South Perth implied that the previous Government was involved in commercial operations outside the scrutiny of Parliament. One of the more notorious vehicles used was WA Government Holdings. The member may recall that it was set up under the Northern Mining legislation, its name was changed to WA Government Holdings and it had subsidiaries which included Exim. Its original authority was provided under legislation but no accountability provisions were in place.

In this case the department must outline the activities, report on those activities, comply with all the requirements of the FAA Act and be subject to scrutiny by the Auditor General. All those safeguards are included in the proposal. That is quite different from some of the models used during the years referred to. It involved not just the example I gave; other bodies such as the Government Employees Superannuation Board and the State Government Insurance Office theoretically had accountability provisions in place but the safeguards did not work.

Mr PENDAL: The Premier has quite rightly identified some of the examples from the 1980s. One of the earliest involved Northern Mining and the \$50m so-called investment. I give the Premier an example which is more recent, more notorious and far more worthy of being brought to Parliament to the extent that had it been, by way of a Bill,

it would never have resulted in a major fiasco. I refer to Petrochemical Industries Co Ltd. Members may recall that the agreement to underwrite was given on the eve of the 1989 state election by the then Treasurer, Mr Parker. In April 1989, about eight weeks after the Government of the day had been re-elected, the then Opposition found a handwritten note by the Deputy Premier and Treasurer which confirmed the petrochemical deal had cost this State \$900m. The current Premier, of all people, should support a move which would have brought the petrochemical deal to Parliament, not by way of regulation but by way of a Bill. Indeed, if the rules had been followed, the schedule of the Acts being amended today would have been amended by adding "Petrochemical Industries Co Ltd". That in itself would have been a major act of accountability. It may be that the people who were responsible at the time knew that to do so would have made them accountable. Of course, a guarantee was given in late 1988 that the deal had not been underwritten by the Government, but that was flushed out in the Parliament immediately following the election. If those matters had been the subject of a Bill and if the Opposition of the day had missed it, tough luck.

Mr Bloffwitch: How would you know if they introduced a Bill that it would be the end result?

Mr PENDAL: I will tell the member for Geraldton why. The Government denied that an undertaking existed, but a written undertaking was discovered after the election. Prior to the election, if due process had been followed and a Bill had been introduced to amend the schedule, it would have been an open admission that an undertaking had been given because that would have been the point of bringing it to the Parliament. It may well have saved the Labor Party. It won the election in 1989 but this matter haunted it until 1993 when it lost office. Had it been done by legislation, the Labor Government could have said it was open and transparent because a Bill had been introduced in the Parliament. Being on the public record and being open may well have been the saving grace for the people who are now in opposition. They should ponder on that because it is still not too late for them to change their view on the amendment.

Mr COURT: The member for South Perth has missed one important part of history. The petrochemical deal came to the Parliament as legislation for the Parliament to give its endorsement for the Government to be involved.

Mr Pendal: It came to the Parliament in the months following the state election. By then people had discovered that an undertaking had been given.

Mr COURT: It came to the Parliament and was rejected. It is an interesting point but, the PICL deal was part of the cover up of the Rothwells rescue. It was in many parts, and involved transactions with a number of companies and individuals, commitments to be agreed to with the power utilities and so on. I do not know how it would be covered under the arrangement the member is talking of. There were so many parts to it. We are discussing the activities of departments which must be approved by regulation and fully reported on. I would have thought that the proper accountability was in place.

Mr RIPPER: The concerns of the member for South Perth and the analogy and comparison he makes seem to be wrong on two counts. Firstly, we are not talking about the activities of statutory corporations or new enterprises which the Government might enter into by establishing new organisations. We are discussing an existing Public Service department which might want to make some additional revenue out of the sale of information or other intellectual property. We are talking about something which is ancillary to the major activity of the public sector department involved.

I remind the member for South Perth that the clause the Government seeks to insert in the principal Act refers to a "financial entity", which is either a department of the Public Service or an entity which forms part of a department of the Public Service. It is quite different from the situation which arose with the petrochemical project as the then Government did not want a department or part of a department of the Public Service engaged in that project.

The second point has already been taken up by the Premier; namely, that the PICL matter came to the Parliament by way of a Bill, which the upper House rejected. The procedure which the member for South Perth says is a safeguard was not, in the member's view, safeguard enough at that time.

Far be it for the Opposition to support the Government on accountability questions, as we have shown in opposition that we are concerned about the degree to which the Government accepts its responsibility to be accountable. On this occasion, we believe sufficient safeguard will apply. Any member of Parliament in either House can move for disallowance of the regulation, and beyond that we have the Joint Standing Committee on Delegated Legislation with paid staff members whose job it is to research all regulations and draw to the attention of committee members the regulations which create difficulties. It would be a very politically incompetent research officer who did not draw committee members' attention to a regulation, from the mass of regulations, relating to trading activity. Any research officer worth his salt would know that that might be a sensitive issue.

This amendment raises two aspects. Firstly, the attention members of Parliament pay to what goes on around them generally, and secondly, we have a committee with paid research staff specifically charged to look at whether regulations should be allowed by Parliament.

Mr PENDAL: I have checked *Hansard* and what I said about the PICL deal still stands. With respect, some members, possibly including the Premier, are getting the course of events out of sequence. The PICL Bill was defeated in the year it was introduced; namely, 1989. The Bill was introduced after the State election of that year not long after it was uncovered that the previously denied undertaking had been given. I think the Premier recalls that matter, which is quite central to the arguments of today. My argument is that if the PICL Bill had been -

Mr Court: To what undertaking are you referring?

Mr PENDAL: I am talking about the undertaking that it would be underwritten by the Government. If I recall correctly, that undertaking was revealed in April 1989 about six weeks after the election.

Mr Court: The undertaking related to using a statutory authority, but we are not covering statutory authorities.

Mr PENDAL: I refer to the same principle of transparency. If the Bill had been before Parliament prior to the 1989 election, that undertaking given but denied possibly would have been flushed out as the Government would have had to admit that it had been given.

Mr Court: They would have to report on it in the annual report. In that case, it would have been well after the deal had fallen over.

Mr PENDAL: I agree with that. The Deputy Leader of the Opposition had the sequence of events out of kilter. Therefore, had the concession or admission ultimately made in April 1989 been made earlier, it would have been made prior to the State election if a Bill had been introduced. The Bill was ultimately defeated in 1989 after the election because Hon Eric Charlton decided in the upper House that it would be defeated in circumstances which have never really been reported. When someone decides to write his memoirs, he could tell the circumstances of that member's vote, but that is another matter.

Mr Court: I agree that it was the mother of all commitments, but legislation did not go through to make it possible to be implemented.

Mr PENDAL: That is precisely my point. It did not stop us losing the \$800m or \$900m. We lost the \$900m in ignorance, and we would have lost it through knowledge if the Bill had gone through.

Mr Court: That was to do with the other side transactions trying to cover up the Rothwells rescue. If the PICL deal had gone ahead -

Mr PENDAL: I ask the Premier to speak on his feet as his comments are in my time allocation. I would like to hear from the Premier why my argument does not apply to this Bill; I think it does.

Mr COURT: If the PICL deal had gone ahead, the commitment entered into was basically that the Government - the member is testing my memory now - would underwrite any shortfall over 10 years or so, regardless of the price of the product made and the overall cost of establishing the plant. At the end of that period, the Bond interest would own X percentage of the petrochemical plant fully paid regardless of what happened to the price of the product etcetera. That is a summary of what the end result would have been. In other words, there was no down side for the Bond interests in entering the deal; all the down side fell to the State Government.

I do not understand how it fits into what we are talking about with this Bill. That deal was not entered into - it never took place.

Mr Pendal: I know that it lost \$800m.

Mr COURT: That was all the side transactions. That is why I said we were darned lucky the deal did not take place as it would have cost us a lot more than the eventual cost.

Mr RIPPER: If I thought the amendment proposed by the member for South Perth would actually help prevent something like the PICL deal going ahead, I would be an enthusiastic supporter of it; however, I do not think the amendment relates to the issues raised in the member's examples. Neither regulation by the Parliament nor the submission of a Bill occurred before the PICL event. Had a regulation been brought to the Parliament, it would have been capable of disallowance by the Parliament and probably would have been disallowed by the upper House. Had the scheme proposed by the Government in the Bill been in existence at the time of the PICL project, it would have brought the matter to the notice of Parliament and it would have been possible for Parliament to disallow the enabling regulation. The member for South Perth's amendment does not advance the parliamentary position.

The PICL example is in a sense irrelevant to what is proposed because what is proposed for trading activities of departments of the Public Service or of parts of departments of the Public Service. That was not the situation with the PICL project. It was not to be engaged by a department of the Public Service or by an entity which was part of a department of the Public Service. First, the amendment will not advance the parliamentary position on the PICL project and, secondly, the legislation we are talking about applies to a different set of circumstances than applied to that particular project.

Mr PENDAL: Once again the Deputy Leader of the Opposition has misunderstood the position. The PICL argument that I advanced earlier has a direct relevance. The Bill that is before us refers to a trading concern being authorised for the purposes of section 4(2) if the trading concern is carried on by a prescribed financial entity and paves the way for all sorts of departmental activities. No-one would dispute that we are dealing with the State Trading Concerns Act which is an Act to regulate the establishment, carrying on and management of trading concerns by the Government of the State and to authorise the continuance or disposal of certain trading concerns or for other relative purposes. If there had been openness and transparency in late 1988 and a real commitment on the part of the then Government to display openness and accountability, the undertaking that was ultimately flushed out in April 1989 would have been part of some enabling Bill coming to the Parliament late in 1988. That was my earlier point. It would have avoided any of the problems that ultimately set the scene to bring down a Government. That is its relevance. It is certainly not relevant to me. I would like to have seen the Government fall that year. As it was, it took another four years.

The Deputy Leader of the Opposition said earlier that there was no real need to bring these matters back to the House in the form of Bills. Does that suggest that we might be flooded with them to the point that we are not able to cope with them? If we got one or two Bills a year under the provisions of this amendment, one could hardly claim that one or two Bills to extend state trading concerns into departmental activities would overtax us. The Deputy Leader of the Opposition cannot have it both ways. If we were inundated with another 15 or 20 Bills a year, I would have alarm bells ringing from another direction and so would the Premier. If government departments became so enamoured of being in commercial operations, the Premier would say that he was heading a Liberal-National coalition and that did not sit very well with its philosophical base.

The Deputy Leader of the Opposition is in no position to say that we are only a little concerned about the number of Bills that might come back to the House because we might have to scrutinise them. That is the point I am making. I think his words will come back to haunt him one day. He has a far greater capacity to know what is going on when business is before the House or the Committee. The chance of knowing what is going on when regulations are tabled is minimal. That is why I am staggered to hear an Opposition stand in the way of full Chamber scrutiny as distinct from subordinate scrutiny. It would have to be one of the few occasions that I have heard an Opposition mount that argument. It is another reason for my asking the Committee to support the amendment.

Dr CONSTABLE: One of the themes that has come through in this debate is the definition of accountability. I am sure it is that at which the member for South Perth is aiming. Yet, we seem to be going backwards on accountability when it comes to government commercial activities. Without the amending Bill, commercial activities of government can be brought directly to the Parliament to be scrutinised by members of Parliament. Clause 5 of the amending Bill gives the Treasurer the authority by regulation to determine some commercial activities of government departments. That is a backward step. This is now becoming an argument about the authority of Parliament to scrutinise the Executive. We will give more power to the Executive by allowing the Treasurer to authorise these activities by regulation. For that reason I will support the amendment.

Mr PENDAL: Again I return to the central argument; that is, we are seeking to delete two words that would then require the Government of the day to introduce a Bill that would add to the schedule of the parent Act. If that were some onerous task or if it were to be done 15, 20 or 40 times a year, the Government should say that. We would have one overarching Bill in any one session if we were seeking to legitimise the actions of five departments. The Opposition's argument that it would have too many Bills to scrutinise is no argument because the Government of the day, presumably knowing the totality of its legislative program that year, would bring in a Bill which might have five clauses, each of which refers to a separate entity as referred to in this amending Bill. It is beyond my comprehension that people could say that that imposes on the Parliament some odious commitment that it cannot live up to. All it is doing is putting responsibility on 57 elected members who have by way of a Bill a greater chance of scrutiny. The member for Geraldton talked about the standing committee's capacity to scrutinise, but the member for Churchlands has dealt with that. We are talking now about an historic argument to give the Treasurer the chance to do those things, at the stroke of a pen, and to have them brought to Parliament and buried under a ton of paper, which the Chairman will never know about, until it hits the fan. Most of those things do not hit the fan, but one in every 10, 20, 50 or 100 does, just like the issue of the Global Dance Foundation today. That reminds me that the Leader of the Opposition has been unforgiving in his criticism of the Premier that he did not follow the due processes that

would have avoided the loss of probably \$500 000. How the Leader of the Opposition can alter the argument an hour later, after question time, again is beyond me.

Mr Chairman, in answering the Deputy Leader of the Opposition, you would be seeking to avoid this procedure if it were onerous or were to be time consuming. But you know, and so do other members, we spend far more time on a host of trivial pieces of legislation, yet we seem to be able to find time in the legislative calendar for those. The Opposition is giving up in advance; it is saying that because it might be too hard and onerous, it will allow this to be done by regulation. The most effective way for an Opposition and for a Government, if it wants openness, would be to say, "We agree. We will not allow it to be done by regulation, which is effectively one person rule and one person scrutiny. We demand and insist that it be done by Parliament, and that means bringing a Bill back." However, so far in this argument not one person has indicated why it will be onerous for a Parliament of this size dealing with 60 or 80 Bills a year to achieve that little extra with its time. I support the amendment.

Amendment put and a division taken with the following result -

Ayes (2)

Mr Pendal

Dr Constable (*Teller*)

Noes (46)

Mr Ainsworth  
Ms Anwyl  
Mr Baker  
Mr Barnett  
Mr Board  
Mr Bradshaw  
Mr Court  
Mr Cowan  
Mr Cunningham  
Mr Day  
Mrs Edwardes  
Dr Edwards  
Dr Gallop  
Mr Graham  
Mr Grill  
Dr Hames

Mrs Hodson-Thomas  
Mrs Holmes  
Mr Kierath  
Mr Kobelke  
Mr MacLean  
Mr Marlborough  
Mr Marshall  
Mr Masters  
Mr McGinty  
Mr McGowan  
Ms McHale  
Mr McNee  
Mr Minson  
Mr Omodei  
Mr Osborne

Mrs Parker  
Mr Prince  
Mr Riebeling  
Mr Ripper  
Mr Shave  
Mr Sullivan  
Mr Sweetman  
Mr Thomas  
Mr Trenorden  
Mr Tubby  
Dr Turnbull  
Mrs van de Klashorst  
Ms Warnock  
Mr Wiese  
Mr Bloffwitch (*Teller*)

#### **Amendment thus negatived.**

Mr PENDAL: I move -

Page 3, lines 20 to 23 - To delete the lines.

It is difficult to say that this amendment is more important than the previous one. However, the two had some connection. I turn now to a different set of arguments that should have some considerable appeal to every member of this Chamber. No-one has a lot of difficulty with the notion - I certainly do not because I explained that during the second reading debate - that we would be expanding the scope of financial entities by the use of the words -

. . . the provision of -

- (i) goods, information or intellectual property;
- (ii) scientific, technical, educational, training, management or advisory services;

So much so, that they remain untouched by this amendment. We will go into a whole new vista of government activity if subclause (3) is not deleted. Here we are being asked to authorise advertising opportunities or opportunities to participate in arrangements in the nature of advertising or having a purpose similar to advertising. The second reading speech was even more specific. It talked about advertising opportunities, as the Bill does, and expanded it by saying that it would include sponsorships. I have very serious doubts about not only the misuse of this provision, but also its use in the first place. None of the things to which the Premier responded was of terribly great concern to me.

I first took an interest in this matter some weeks ago when I saw a very good television documentary from the United States which showed the disgraceful situation in a state school. It was being kept alive by sponsorship and so-called advertising opportunities to the extent that the State in which it was located should have been ashamed. It is one thing



for the Premier to respond by giving examples to which he thinks the clause will apply; however, members should mark my words - this clause will change the face of education in Western Australia.

One of the good things about education in Western Australia, whether it is in a good or bad decade or year, is that classrooms are relatively uncluttered environments. Children are given the chance to focus on the essentials. They might be the teacher and the resources, written or visual, that are entirely educational in their basis. This proposal is opening the way for a classroom to have more than that, so that the children will not have an uncluttered and simple introduction to their education. They will be confronted by all sorts of garish and intrusive advertising and sponsorship paraphernalia. Therefore, I commend to the Committee my amendment which, in effect, is a deletion.

Dr GALLOP: I will raise a couple of issues with the Premier on this clause, to which an amendment has been moved by the member for South Perth. Two interpretations can be placed on it, one of which is of great concern. I agree with what the member for South Perth said. The first interpretation goes something like this: Through this clause, a government department or subdepartment can use its opportunities to advertise as a way of raising revenue; in other words, the government department might decide to bring on board a sponsor. It might be a school or a hospital or a bit of space the Lands Department or LandCorp has, which space can be used to advertise something and earn revenue.

The second interpretation is that a piece of intellectual property or service is developed within a government department for which it wants to earn revenue by commercialising it. That is what this legislation is intended to do. As part of that exercise, the department might want to advertise the fact that it is skilled in a specific area. There is a huge difference between those two interpretations of the clause.

I totally agree with the member for South Perth that if this means all government property is now subject to advertisement, it would be a retrograde step to send a message to all government departments that they can use the assets or property or buildings or whatever they have to advertise on. Of course, if any effort is made in that direction, it would have to come back to Parliament. We accept that the accountability test is there. However, it is a different situation if we are simply talking about something that has already been accepted as being possible; that is, a government agency trading some of its services to earn some income - for example, selling them overseas and as part of that exercise advertising the fact. As this clause stands at the moment it opens up possibilities that we do not want. Before we decide where we will go on the question, we would like some clarification.

Dr CONSTABLE: I will add to the concerns and raise some issues with the Premier which I hope will clarify my questions about advertising, while at the same time indicating I will be supporting the amendment. First, the notion of sponsorship, particularly in educational institutions and schools, suggests to me that we will see children involved in the endorsement of products or the sponsorship and promotion of products, such as we see with sporting heroes wearing logos and so on of various sponsors. I ask the Premier to tell us that that is not the case.

Secondly, one of the problems in schools at the moment - I think this is relative to every school in my electorate - is that parents are spending much of their time raising money for what I think of as essentials in schools. Computers seem to be the equipment of the moment for which parents are raising huge amounts of money. As much as \$20 000, \$25 000 or \$30 000 is raised to equip a school properly with computers. My worry is that in desperation some of the parent groups, schools and the Education Department will be turning to sponsorship which will go towards obtaining essentials in schools that the Government should be providing. For a consideration, promotional materials and sponsorship will be seen on government property to get the essentials in schools. I ask for the Premier's reassurance that that will not happen.

Mr RIPPER: I also have concerns about the position in schools. I indicated some of those concerns during the second reading debate. The member for Churchlands pointed out the great desire of parents to have schools properly equipped with computers. There is also a pretty strong desire among parents for airconditioning in their schools. I know of a school in my electorate which is not very well off and the parents of the children who attend it are not very well off. Nevertheless they are embarking on a fundraising campaign to install airconditioning in some of the school classrooms. If sponsorship options are available to their schools, there will be a great temptation for parents to take them up.

I am concerned about the inequities that might result between schools of different types, with different opportunities to obtain sponsorship. I am also not comfortable with the idea of a high degree of corporate and commercial penetration of the school culture. There are some implications for the integrity of the curriculum as well. The major concern about this part of the legislation is in relation to schools, although as the Leader of the Opposition pointed out, hospitals are also a sensitive area of the public service provision. I hope the Premier will indicate how this part of the legislation may impact on schools.

Mr COURT: Any government department can advertise its services. The member for Belmont is referring to private sector advertising in conjunction with the government. This legislation is about authorising activities which will generate revenue and possibly profit. The member is concerned that it will become open slather, that the department could enter into an activity which involved a sponsor who would obtain a big commercial advantage in schools, perhaps promoting computers, etc. The newly formed Department of Contracts and Management Services is developing a sponsorship policy to which departments will be required to adhere. We will be opposed to the private sector coming in on the back of the Government in a big way.

This legislation is before us because opportunities arise which could involve our benefitting from selling intellectual property through, for example, overseas seminars in conjunction with private sector firms. We have developed some instruments for financing housing through which we can enter into joint ventures with the private sector. This legislation will enable us to undertake some combined advertising. If we were banned altogether from directing advertising to a party to which we were trying to sell a service or whatever, it would be very difficult for a government agency to be able to commercialise that intellectual property.

The Government is sitting on many assets in intellectual property, for example, which, if it wanted to market and sell, may require involvement with a private sector firm, which involvement could be construed as sponsorship.

The Leader of the Opposition and the members for Belmont, Churchlands and South Perth raised concerns that this clause may encourage agencies to move into wholesale sponsorship arrangements. That would not be acceptable to the Government. However, nothing can stop someone from moving down that path apart from public outrage at someone being given a certain possession. I realise there are no easy answers to the issue apart from how the Government of the day carries out those activities. An example is the Western Australian Tourism Commission.

Dr Gallop: The commission has no problems because it is allowed to advertise under its own Act.

Mr COURT: I am using that cooperative advertising as an example of how it is beneficial to taxpayers. Proper guidelines which must be adhered to should provide a check and balance for the Government.

Dr GALLOP: This clause provides that the Government and government departments can utilise advertising opportunities. Its wording is not sufficiently restrictive to indicate that we are simply referring to something that would be ancillary to the development of intellectual property within government. We are referring to the use of government assets, property and values to earn revenue by advertising.

We are concerned if only on the grounds that the Government's property can be used as a means of advertising to raise revenue. Relationships would be developed between certain private sector organisations.

Mr Bloffwitch: We do that with buses.

Dr GALLOP: We are talking about government departments.

That will pose questions concerning the ability of those government departments to preserve their independence. There is a case for some advertising related to the development of intellectual property. However, I do not like the concept in itself of advertising opportunities as a means of raising revenue for government departments. The Opposition will not support this clause as it is drafted.

Mr PENDAL: A few minutes ago the Premier said that one of the ways in which the Government would moderate activities of this kind would be to rely on a sense of outrage from parents at advertising and sponsorships in the classroom. In the normal course of events I would agree with him. However, one does not get outrage when incremental increase occurs because people do not have a reason to be outraged. If something is introduced piecemeal and quietly, there is no reason for people to become alarmed until they see the total of what has happened when someone finally says, "Look at what has happened in the past five years." How many times have we heard that said on a range of things? We just let things slip. That is not a satisfactory answer by the Premier.

An example of the ethics of the position is where a Premier says to a Minister for Education, "I am denying your request for more funds; go out and find the funds." The Minister for Education, who is well connected with the corporate sector, finds the extra funds through his contacts by way of advertising and sponsorship. He uses this clause, and McDonald's hamburger chain steps into the breach and says it will be happy to provide sponsorship of \$500 000 or \$1m. The Minister will be relieved because that item of \$500 000 or \$1m will now be met from advertising or sponsorship sources. However, everything has its price. What does the company ask for in return? It may say that it will give the school some money, but that it is only fair that the school does not sell other products in the tuckshop; that from now on only McDonald's products will be sold by the tuckshop. The Minister for Education shakes his head. I do not know what he means by that. I would like him to take part in the debate. It is no good his shaking his head because he cannot say that this clause would not allow that. Who was the last person in the history of mankind to offer sponsorship without something in return? That is the nature of sponsorship.

Sponsors give half a million dollars and in return they are given something. For example, Mercantile Mutual Insurance might offer to sponsor the Sheffield Shield at the Western Australian Cricket Association ground and provide \$2.5m for the year. The WACA officials do not thank representatives from the company for the cheque, shake their hand and buy them a beer at 4 o'clock. There is a quid pro quo; namely, that the place be decked with Mercantile advertising. That is fine; I have no objection to that. The company is dealing with mature adults who will be influenced by the advertising. That is another aspect. It is not just a matter of money, but a matter of influence. That is why it is an integral question and that is why the Committee must vote to delete this clause.

Mr BARNETT: Although I do not have responsibility for this Bill, I will comment briefly on education. This Bill will legitimise what happens frequently throughout schools in this State. Although members talk about sponsorship, what has long happened in schools in this State happens in the government and non-government sectors in States and Territories throughout Australia. Schools find themselves in all sorts of arrangements that are not properly described by the word sponsorship. For example, it has been long practice in the Pilbara that mining companies support schools. They contribute to school libraries, for example, and occasionally that recognition may be as simple as a plaque on the door of the library recognising that a company contributed towards the project. That is common and I think it is proper. That type of support is good and it should be encouraged, and I actively encourage it.

A company that undertakes something like that does it because it has a vested interest, not in selling a product, but in seeing good quality education in its area. It was suggested by members opposite that rich schools would benefit. Over the past 12 months significant examples of corporate support for schools have invariably been large corporations supporting what might be labelled poor schools. It has not been the other way around. An announcement will probably be made about a large corporation making a strong commitment in computing to a school it has nothing to do with, but a school that would be perceived to be in a relatively low socioeconomic bracket. That company has nothing to do with computers. It has no benefit to gain. It does it because it wants to and so that its wider corporate image is as a company that contributes to and supports and values education.

This issue is important in the community and it is open to abuse if it is not managed properly. The Education Department is developing clear guidelines on this issue that will be enforced in the school system. The type of scenario to which the member for South Perth alludes - that a hamburger chain will have exclusive franchise to sell its products - will not occur. There will be no exclusive franchise arrangements and no marketing of products through schools. However, opportunities will be available for corporations and local businesses to demonstrate in a public sense their support for education in their locality. Everyone is acutely aware of the dangers if this is not managed properly.

When I was with the Western Australian Chamber of Commerce and Industry in 1990 I was involved in developing a system that was in place in Boston; that is, the idea of partnerships, or compacts, between schools and industry. A couple of those still operate. One is between SCM Chemicals Ltd and Australind High School, which has seen scholarships for teachers and experience and work opportunities for young people. SCM has no interest other than it wants to see the local high school be a good school and be progressive. It has supported the principal and it is strongly supported by that community.

Similarly, in Kwinana, a group of industries have got together and supported several high schools in the area. The retention rate in year 10 has increased from 30 per cent to 60 per cent in the space of a year, due largely to the support of the corporate sector in those schools. Those schools would not be identified as economically advantaged schools. I accept the points made by members opposite about the need for controls, checks and care, but members should not ascribe to companies, businesses or government agencies such as trading enterprises any improper, selfish or profit motive behind this. That is generally not the case. I am not aware of examples of sponsorship in schools that have had those sorts of objectives. They are always for the right reasons.

Mr COURT: I thank the Minister for Education for those examples. This clause was inserted on the advice of the Crown Solicitor. A number of applications have been knocked back because they would be seen to be giving profit and technically could not be entered into. The member for South Perth said that in the cases put forward, legislation was not necessary to enable that to occur. Technically it is. The Police Act was amended because of issues such as community policing. The private sector was providing cars and companies wanted to sponsor the police helicopter. Over the years different sponsors have been involved. As I said in my response to the second reading debate, this is a vexed question. Guidelines must be in place. The Government can turn a blind eye to it and accept \$1m a year to help run the police helicopter, for example; or, as it did with the Police Act, it can pass an amendment to make that legally possible. Similarly, under this legislation sponsorship arrangements could be entered into. The Crown Solicitor suggests that the Bill be worded this way because if a company sponsors something and then puts its name on the side of it, as occurred with the police helicopter, it then moves into the advertising field. The important point the Minister for Education made was that support in these areas has occurred for years.

Dr Gallop: Not to make money though. Advertising is a commodity. This clause indicates to government departments that they can use whatever they have as a means to enter into arrangements to make money out of advertising.

Mr COURT: No. The difficulty is that if a corporation, for one reason or another, wanted to sponsor a program that fitted within the guidelines and that the Government believed was appropriate, as soon as it put its name on something - on a computer or the side of a helicopter, for example - it rightly would be sponsorship, but it also would become advertising. Rather than walking away from the issue the Government is trying to be up-front by acknowledging that this is happening and implementing guidelines to control it.

Dr Gallop: It is not advertising if a compact exists between a mining company and a school and in its annual leaflet the school thanks the company for its help.

Mr COURT: It is sponsorship and advertising.

Dr Gallop: It is not advertising; it is just describing what the company does. That does not need a Statute.

Mr PENTAL: Where is the problem with that?

Mr COURT: Who will make the decision to say that it is not advertising? Is the member for Victoria Park saying that if a mining company put money into that school and told everybody about it, it would not be advertising?

Mr PENTAL: The Premier has now moved one cog up from where the Minister for Education left off. I will subject what the Minister for Education said to a bit of analysis. He was trying to suggest that Mt Newman Mining Company Pty Ltd, which has a fine record of assisting schools in the north of this State, has a plaque outside the school library which has on it, "The Mt Newman Mining Library". It does not need an Act of Parliament to do that.

Mr Court: The Crown Solicitor is telling the Government that it is a grey area and it could well be that it goes against the current law.

Mr PENTAL: We could all go to a room which is full of opinions from the Crown Solicitor about what could happen unless certain Acts of Parliament are amended. I have spent my life in this place listening to that argument. It is a silly argument.

Mr Court: What happens if Mt Newman Mining does the same sponsorship and advertises in the newspaper saying that it proudly sponsors the schools in the north west?

Mr PENTAL: I ask the Premier to tell me who would take that to a court of law to find out whether Mt Newman Mining is liable for anything. That argument is too silly for words.

Dr Gallop: We are not talking about Mt Newman Mining, but the Western Australian Government. It is whether the Government is implicated. I agree with the member for South Perth.

Mr PENTAL: The Minister for Education answered his question when he said that these people do that in much the same way as members of Parliament use their electoral allowances, if they are using them properly. They donate a book to a school to create a good relationship and rapport with the community. That is what Mt Newman Mining does and it probably even provides airconditioning units and has on the side of the door a notation to the effect that "This unit is sponsored by the Sunbeam Airconditioning Company". What I am saying is quite fundamental and different from that.

The Minister for Education appealed to members not to ascribe bad motives to corporate people. Would we ascribe bad motives to the tobacco companies? They spent half a century appealing to young people and they have just been shown up in the courts in the United States as lying. The fallacy that they never directed their advertising to the young has been uncovered. Finally, the Attorney General of Mississippi, leading all the other Attorneys General across the United States, has been able to have that shown up as a corporate lie. The tobacco companies did not do that because they wanted to be good citizens; they did it because they wanted to flog cigarettes. That comes to the very point I mentioned earlier about ethics. We will be opening up an enormous issue if this clause, as it is printed, is passed. I suggest that the Premier look at the previous subclause.

Mr Court: In other words Mt Newman Mining would be okay, but a bank would not be acceptable.

Mr PENTAL: It would be fine.

Mr Court: But it is selling a service.

Mr PENTAL: I said in the second reading debate that the fundamental responsibility for providing a service lies with the Premier.

Mr Court: You cannot have it both ways.

Mr PENDAL: When I sit down the Premier can have his five minutes. I will not have my time taken up with the Premier's interjections. That is not the idea behind brief five minute speeches.

I said in the second reading debate that it was not acceptable for the Government of the day to seek to off-load what are its basic responsibilities. We cannot get responsibilities which are much more basic than education.

Mr Court: Why do you accept the Mt Newman Mining sponsorship?

Mr PENDAL: I will come to that in a minute. Why does the Premier need to expand the clause by having subclause (3) when educational issues and services are covered by subclause (2)? It is probably a very good Bill except for the inclusion of this clause which I seek to delete. The Committee should delete it otherwise it opens up a new spectre for abuse and abuse will occur, mark my words.

Mr RIPPER: It appears that there is a distinction between two different kinds of activities, although, as usual, there is a grey area between the two. Activity one is a school accepting a gift from an outside organisation and, in a small way, acknowledging that the gift has been made. Activity two is conducting a trading concern with the explicit object of bringing in revenue or profit and using, to produce that revenue or profit, the advertising opportunities which are offered.

Mr Court: Who will be the judge between the two? Get real!

Mr RIPPER: I am concerned at the way this legislation is worded. It authorises a trading concern where it consists of prescribed activity involving advertising opportunities. Therefore, the trading concern might involve only advertising activities. It would be wrong for the Education Department or a particular school to say, "We have these advertising opportunities; what will you give us in return for them?" That is different from the sort of activity which the Premier says should be authorised; for example, where somebody makes a gift to a school and the school acknowledges it.

The relevant definition is in the original Act. It states that the expression "trading concern" means any concern carried on with the view to making profits or producing revenue. It is all about what is the intention. All this legislation does is to authorise an activity with the intention of making money out of selling advertising opportunities. It would allow the Education Department or individual schools to do that. I doubt that accepting a gift and saying thank you for it is something that needs to be covered by this legislation.

The Opposition is not happy with this clause. At the very least, the Premier should recognise that the clause is poorly drafted and needs amendment. I ask the Premier to give an undertaking to the Committee that this matter will be looked at before the Bill is finalised by the other place. It does not appear to me that the legislation does what the Government and the members on this side of the Chamber say should be done. We would all like a school to be able to accept a gift, but we do not want schools to be actively pursuing the advertising opportunities that their properties and clientele provide.

Mr COURT: The member for Belmont is saying that it is okay to turn a blind eye to what is a grey area. The Government believes it is better to be up-front about it and recognise that it is happening, but there must be guidelines in place to indicate how it happens.

Mr Pendal: This does not represent guidelines. You are opening the door to something you will not be able to control.

Mr COURT: I am saying it is happening.

Mr Pendal: You are asking for something in return for the profit motive. Give me an example.

Mr COURT: It has been happening for years in the schools. The Government came across that problem with the police. Companies were only too willing to help police operations. I mentioned earlier the police helicopter.

Mr Pendal: What would they do in return?

Mr COURT: The corporate name would be put on the helicopter. Of course, one promotes the fact. Not all companies want to do this. However, if it is all about a corporate image, the company ensures that it tells people what it is doing. The member wants to have it both ways; he is saying that it is okay for some companies to sponsor a school but not others. Does he not think it is better to state in legislation that it can be done - as we have had to do in the Police Act?

Mr Pental: I ask the Premier to suppose that Westpac said it would give the Government \$3m to purchase a police helicopter carrying the bank's logo but, in return, the Government must promise that the helicopter would be flown in police time over certain parts of the metropolitan area for the bank's advantage. I would say that that is improper.

Mr COURT: So would I.

Mr Pental: The police exist to do the job of their own volition. Why should the Government open the door to any activity that would compromise that?

Mr COURT: The member does not understand. I said that the advice provided to the Government was that it could not receive sponsorship for a police helicopter without changing the Police Act. That is what we are doing here. The member has agreed to the legislation and the amendments to the Police Act which provide that it is legal to accept sponsorship. Now he is saying that it is not okay to accept sponsorship.

Mr Pental: I am talking about when something is expected in return. That is why people sponsor - because they expect something in return.

Mr COURT: The member wants us to turn a blind eye -

Mr Pental: I do not: I want that clause deleted.

Mr COURT: How do we handle sponsorship?

Mr Pental: In exactly the same way that the Mt Newman sponsorship was handled. It has erected a sign outside the school, but it has asked for nothing in return.

Mr COURT: The member is suggesting that even though we have legal advice from the Crown Solicitor saying it is a loophole or a grey area and that it must be fixed -

Mr Pental: Where are the loopholes and what are the specific cases?

Mr COURT: The member has spent most of the afternoon arguing about accountability. We are now pointing out something that is not accountable. The advice we have received is that we should put it in legislation so that it is no longer a grey area. The member can then come into the Parliament and ask what guidelines are in place.

#### *Progress*

Progress reported.

#### **GRIEVANCE - BAYSWATER MOTOR COMPANY**

**MR BROWN** (Bassendean) [4.33 pm]: My grievance is to the Minister for Fair Trading. On 7 March last I wrote to the Minister concerning a constituent of mine, Mr Edward Michael Davies, who operates the Bayswater Motor Company. I wrote concerning a certificate of registered interests issued for a vehicle he had purchased. The certificate was issued under section 23 of the Chattel Securities Act 1987, and it indicates that the vehicle was free of encumbrances.

Motor vehicle dealers and members of the public apply for a certificate of registered interests because it is incumbent upon them and prudent to check that any vehicle they intend to purchase is free of encumbrances. Therefore, the Bayswater Motor Company checked with the Ministry of Fair Trading to see whether the vehicle was encumbered in any way. It was issued with a certificate, dated 14 October 1996, indicating that the vehicle was not encumbered. Subsequent to that, the company found a purchaser for the vehicle. That person, who was particularly fastidious, also decided to check with the Ministry of Fair Trading whether the vehicle was encumbered and he established that the National Australia Bank had an interest in it, which meant that the Bayswater Motor Company was unable to sell it despite the fact that it had conducted all the appropriate inquiries when it was purchased.

I raised this matter in the House in a parliamentary question, and the Minister for Fair Trading indicated that he would investigate the matter and respond, which he did in a letter dated 24 March. That letter, which was quite detailed, dealt with a number of issues that time does not permit me to cover. However, it did state -

As has been explained to Mr Davies, the purchase of a "clear" REVS certificate will generally provide the purchaser with unencumbered title to a vehicle. However, in all cases this is subject to the purchaser proving on balance of probabilities that the purchase was made in good faith and without notice of any encumbrance (whether registered with REVS or not).

The purchaser will have "notice" if he or she has been told of the encumbrance or deliberately failed to act on information which indicated the possibility of money owing on the vehicle.

The letter further states -

Mr Davies has provided Ministry staff with information which may be sufficient to put him on "notice" of the National Australia Bank's interest.

The letter later continues -

It will be for Mr Davies to prove that he did not have notice of the security interest.

Mr Davies will no doubt rely on the information from the debtor from whom he purchased the vehicle and also on having made an inquiry with REVS. The facts are that he received erroneous information from the seller and accurate information from REVS.

Further, I have been advised that Mr Davies failed to make enquiry with the National Australia Bank, despite knowing that the vehicle had been purchased with a loan from the Bank and having a suspicion that the debtor may not have understood the significance of a security under a loan.

I have checked this matter with Bayswater Motor Company, because the proprietor is now suffering although he did the right thing in checking with the Ministry of Fair Trading. The company was issued a certificate and it now cannot dispose of the vehicle.

I asked Mr Davies whether he had inquired of the person who sold him the vehicle whether the vehicle was encumbered. He has provided me with a form that the seller filled out and signed declaring to Bayswater Motor Company that the vehicle was not encumbered in any way. I am at a loss to know - so is my constituent - how the Ministry of Fair Trading has now arrived at the view that the company should have inquired of the National Australia Bank about a debt it had on the vehicle when the seller had declared that the vehicle was not encumbered.

I am almost at a loss to know how the Bayswater Motor Company is supposed to get that information. When I recently asked the company to contact the National Australia Bank in order to clarify the latest dealings, the bank said that under the privacy legislation it is not prepared to disclose any communication between the Ministry of Fair Trading and itself. My constituent, the operator of this small business, has been severely prejudiced by the fact that this certificate has been issued and by the fact he has been caught unwittingly and unwillingly in this situation. I ask the Minister to take immediate and further steps to ensure this matter is clarified, so that the Bayswater Motor Company can go ahead and sell this vehicle, as it has a right to do.

**MR SHAVE** (Alfred Cove - Minister for Fair Trading) [4.41 pm]: This issue arose as a result of the National Australia Bank not giving the correct information to the Ministry of Fair Trading. We get about 80 000 new registrations and deals and about 190 000 queries a year. This is the first time to the knowledge of my executive officer that a certificate showing an error has been issued by the register.

I want to make it very clear. Some press releases have been given by the member. I notice that he begins one of his press releases by writing that Western Australian car owners are at risk of having their vehicles repossessed, if an alleged blunder by the Ministry of Fair Trading proves not to be a one-off mistake. There has been no blunder by the Ministry of Fair Trading. The error was caused by the National Australia Bank when furnishing details to the ministry. The ministry registered the vehicle and found the registration wrong. The only opportunity the ministry had to rectify it was to send it back and say, "Please give us the correct details on the car you want to register it against. We do not have a registration number which ties in with the chassis number and other pertinent details." As long as the member recognises that the error lies with the National Australia Bank -

Mr Brown: The bank said it corrected the information.

Mr SHAVE: It did, but the problem occurred in the interim. As I understand it, the member's constituent checked with the ministry in the interim while the correction was being provided by the National Australia Bank. There was no registration because obviously the registration number of the car was wrong. A later inquiry showed that the vehicle was registered during the intervening period.

Mr Brown: It was about three months.

Mr SHAVE: The National Australia Bank had written, giving the correct details. I wrote to the member on 21 March and outlined all the issues. The member made the point that he did not have time to refer to all the comments. I indicated in the last paragraph that the ministry would use its best endeavours to try to resolve the matter as quickly as possible and to assist the member's constituent wherever possible. An officer of the Ministry of Fair Trading has written to the National Australia Bank outlining the issues and seeking to resolve the problem faced by the member's constituent. People must get things in context. The member's constituent raised this and then the member rushed off to the Press.

Mr Brown: I wrote to you.

Mr SHAVE: Probably the day before.

Mr Brown: It was on 7 March.

Mr SHAVE: I would have received the letter probably on 9 or 10 March.

Mr Brown: No, it was faxed.

Mr SHAVE: The member's press release went out on 12 March.

Mr Brown: It was after we raised the question in here.

Mr SHAVE: The member has made a political issue out of it in order to gain mileage by suggesting that the Ministry of Fair Trading was not behaving in a proper manner.

Mr Brown: I did that to get it dealt with.

Mr SHAVE: Any reasonable person would have allowed at least a week for someone to try to resolve the problem. No-one can resolve the problem in 24 hours. Allowing for it to go through the process, a week would have been a reasonable period. Notwithstanding the member's action of putting it into the Press and suggesting that the ministry was not behaving in a proper manner, we did investigate the matter. The truth is that the member should put out another press release apologising for suggesting that the ministry did not behave in a proper manner, when it did. The ministry issued a certificate on the facts provided, one of which was that there was no encumbrance on the vehicle as far as the ministry knew. It had no idea. It receives 80 000 of these a year. The bank sent the ministry a registration number which was incorrect. What could the ministry do other than go back through the process and try to get the bank to correct it?

I made the point to the member in my letter of 21 March that we would pursue the issue and carry on negotiations with the National Australia Bank on behalf of the person because the ministry was concerned. If the National Australia Bank forms the view that it is not prepared to resolve the issue and does not accept responsibility, the question then remains, should the ministry or the Government assume liability for something over which it had no control? The clear answer is no, the Government should not. If the Government did that, then in any other dealing, such as with title registrations where a surveyor or a solicitor does not register a caveat and somebody mortgages or sells a property, an agent could say, "I gave the wrong details to the Government but, by the way, the Government must still meet the cost."

Mr Brown: I am seeking to have this pursued with the National Australia Bank. The Government should support the company by action and not leave it to the little businessman.

Mr SHAVE: I have to finish now. If the Government were to take responsibility for every error caused by -

Mr Brown: The Government.

Mr SHAVE: The Government did not cause the error. That is where the member is wrong. We have written to the bank and we are trying to resolve the issue. We will do what we can to assist the person in this circumstance.

## GRIEVANCE - MOTOR VEHICLE LICENSING CENTRE

### *Mundaring*

**MRS van de KLASHORST** (Swan Hills - Parliamentary Secretary) [4.48 pm]: I present a grievance on behalf the Mundaring community, in particular the Mundaring business association and the business people, to the Minister representing the Minister for Transport. The Department of Transport closed the Mundaring motor vehicle licence centre just over a month ago. The Department of Transport, working with the local post office, has arranged for licence renewal photographs to be taken in the Mundaring Australia Post agency, which will generally handle licence renewal. The Mundaring community considered this a positive step because, as the post office is in the local shopping centre, people can deal with licence renewals while shopping.

My grievance is to do with the ability to license vehicles, take them over an inspection pit, and generally to register them in the Mundaring area. Because of the closure of the pit, local businesses are very severely disadvantaged. Some of their concerns relate to the fact that the nearest licensing centre is at Midland, which is a good half hour from the Mundaring centre. Local businessmen have to drive from Mundaring to Midland, put their vehicles over a pit in order to gain a licence, and then return. Business people indicate that to travel to Midland to put their vehicles over the pit takes nearly two hours, and often longer if they have to wait or there is a problem with traffic, whereas previously they could ring the local licensing centre and say, "I will be there in 10 minutes; are you free?"



Many of the small businesses in the Mundaring area have one owner and no staff, or only one staff member, and those owners often have to close the doors of their businesses to enable them to go to Midland to license their vehicles. They request the Minister to reinstate the Mundaring licensing and transport section so that they can continue to have their vehicles licensed at that centre. One firm in Mundaring which comes to mind - many firms are in a similar position - makes trailers and must obtain a permit to drive those trailers to Midland to be licensed. The business community is concerned that businesses such as this will move to Midland, where it will find it easier to work.

I ask the Minister, on behalf of the Mundaring business community, to reinstate the vehicle licensing centre, or, if that is not possible, to have the Department of Transport set up an alternative licensing centre by contracting a business or garage in the local business centre, where most of these things happen, to work on its behalf, so that the Mundaring community can again receive that service in the local area. Communities should have services provided in their local area, particularly when those communities are a long way from the inner metropolitan area.

**MR OMODEI** (Warren-Blackwood - Minister for Local Government) [4.51 pm]: The Minister for Transport has provided me with copious notes, which I hope will suffice in responding to the member for Swan Hills' grievance.

The Mundaring licensing centre has, for a long time been identified as operationally unsuitable for performing licensing functions and unable to cater for the specific needs of the licensing division. It was necessary to close the vehicle examination facilities on 5 February 1997 when the owner of the adjoining property commenced construction work and erected a fence which restricted access to the inspection pit area. Evacuation work on the building site also rendered the area an unsafe working environment. For these reasons, it was decided to close the centre and enhance the services provided by the Australia Post agency network to give customers more payment options, particularly out of working hours. Photographic motor driver's licence facilities were installed at Mundaring Australia Post agency on 24 February 1997.

The licensing division is conscious of the impact that this will have on residents in the Mundaring area and has introduced a range of alternative service delivery mechanisms to minimise the short term effects of the closure. These include Mundaring Police Station being available to issue temporary permits which allow residents in the Mundaring area to move an unregistered vehicle for inspection or repair prior to licensing without having to attend the Midland licensing centre; changing the system for vehicle transfers to provide for the issue of reminder notices which will facilitate payments at post offices; and the introduction of the dealer network scheme, which will allow car dealers to transact business from their own premises, which is probably a major breakthrough.

They also include the introduction of new arrangements for assessing the driving skills of senior drivers over the age of 85 who reside in the Mundaring area, which will eliminate the need for attendance at a licensing centre. A mobile testing unit has been established at the Hills Community Centre in Mundaring which will allow senior drivers over the age of 85 to have their driving skills assessed in a familiar area. An examiner from the Midland licensing centre will attend each Wednesday to conduct those tests. Another initiative is that a senior customer will now be able to attend his local doctor, who will conduct an eyesight test and, where necessary, assess the customer's physical ability to drive a motor vehicle. When the assessment has been approved, the customer will be sent a renewal notice which can be presented for payment at the nearest post office. This will mean that senior drivers will no longer have to attend a licensing centre to meet the requirements for the issue of motor drivers' licences.

The Department of Transport is currently undertaking a review of the activities of the licensing division, which will include the delivery of vehicle inspection and licensing services. The objective of the review will be to establish and provide consistent service standards to all customers. It will also include consideration of authorised inspection stations in the metropolitan area. In order to minimise the impact on customers, it is proposed to extend the grace period for payment of a vehicle licence from one calendar month to two calendar months before examination is required. The new policy will apply to all vehicles which weigh under 4.5 tonnes and are not subject to inspection under section 29 of the Road Traffic Act, which requires that certain categories of vehicles be inspected annually.

The dealer network scheme was launched by the licensing division on 4 March 1997 and allows dealers who are registered with the Motor Vehicle Dealers Licensing Board to perform various licensing functions from their premises. That may placate some of the concerns of the member for Swan Hills' constituents. The transactions which will be processed by these dealers include new registrations, transfers, renewal of their own vehicles, payment of transfer fees for customers, changes of plates, and payment of inspection fees for their own vehicles. While the dealers who are currently being targeted are in the new car trade, the scheme will be made available to businesses that trade in used vehicles. While the actions to date have impacted on business people in the Mundaring area, the member should follow closely the review process that will take place. If the Department of Transport does include in that review a consideration of authorised inspection stations in the metropolitan area, perhaps Mundaring should be one of those areas. I undertake to ensure that the Minister for Transport is made aware of the member for Swan

Hills' concerns, and if they are not covered under the actions taken by the Department of Transport, I will raise the matter with him directly.

## GRIEVANCE - HOSPITALS

### *Fremantle*

**MR THOMAS** (Cockburn) [4.57 pm]: My grievance is addressed to the Minister for Health and is about the provision and location of health services in the south west corridor. The principal organisation for the provision of health services in that corridor is Fremantle Hospital. The correct name of that institution is, as the Minister would be aware, Fremantle Hospital and Health Service. Under the latest reorganisation of the Health Department, that hospital has responsibility for a number of health services in the south west corridor, one of which is Woodside Maternity Hospital in East Fremantle, the institution about which I will speak today.

The population of the south west corridor is expected to increase substantially over the coming decades and to double in size within the next 20 to 30 years. That will lead to the need to double, in round terms, the number of hospital beds that are available for use by the people who live in that region. At the same time, it must be acknowledged that planning problems are associated with the location of Fremantle Hospital. It is already placing pressure on the Fremantle community, and action groups have commenced in Fremantle to oppose any further extension of Fremantle Hospital, to oppose its purchase of surrounding properties, which it has been doing, and to try to minimise the impact of that hospital on the surrounding area.

Those members who have been around long enough will recall that there was substantial protest in Fremantle when that hospital was built, or at least when it was extended substantially in the late 1970s, and it was suggested that the hospital should have been located in the centre of its catchment area, at what was then known as the lakes hospital site, where St John of God Hospital, the Rangeview Remand Centre and a few other institutions are now located near Murdoch University.

That opportunity has now passed, so planning for the future of Fremantle Hospital must focus on the needs of what is described as a southern campus. If the hospital is to double its size over the next 20, 30 or 40 years it must transfer some of its functions from Alma Street to a southern campus. Last week in this House I asked a question about the residential addresses of obstetric admissions to Woodside Hospital - I am referring to births. The answer was that so far this financial year there had been 731 births at Woodside Maternity Hospital, and 75 per cent of the women resided in the local authorities of Cockburn, East Fremantle, Melville and Fremantle. However, the statistics show that 57 per cent of that 75 per cent resided in the City of Cockburn, 4 per cent in East Fremantle, 23 per cent in Melville, and 16 per cent in Fremantle. The bulk of the women who used Woodside Maternity Hospital resided in the City of Cockburn, which suggests that a maternity hospital should be located in the area to the south of the catchment area. Obviously the logical place to build a maternity hospital is in the newer areas where the community would be most fertile, and producing the largest number of babies.

Woodside Maternity Hospital is a beautiful building located in an attractive area in East Fremantle. However, it is an old building in an old area. If there is to be a rationalisation of the services provided by Fremantle Hospital and Health Service the Woodside location would be an ideal place to locate geriatric services, or other services that are more appropriately located in an older area. East Fremantle and its surrounding areas are older than areas further south in my electorate and in the adjoining electorates of Southern River and Peel, where there are younger populations with families having babies. The Fremantle Hospital and Health Service must make provision for a location for a southern campus. That is obvious given that that organisation must grow substantially in size in over the next few decades, and the scope for growth and expansion on the existing site is limited. Any attempt to increase the size of the organisation on its existing site will meet strong opposition from the local community. That should be avoided if possible. It is also self-evidently sensible that the facilities are located in the centre of the catchment area. Steps should be taken in the near future to identify a site. I am not sure whether sufficient land is left on what was the lakes hospital site for another hospital, or whether another location exists elsewhere in that area.

Once a site has been identified it should be reserved and earmarked for that purpose. The first step would be to relocate obstetric and gynaecology services from Woodside and build a new maternity hospital on a new site. That would free up the Woodside site and some functions currently located at Alma Street could be relocated either to East Fremantle or, if there is to be some expansion in the next few years, that could be on the Woodside site rather Alma Street. The first and most sensible step is the construction of a maternity hospital in Cockburn.

**MR PRINCE** (Albany - Minister for Health) [5.04 pm]: I thank the member for Cockburn for raising the issue. The planning of health services in the southern metropolitan area, not only in the south west corridor but also the south east corridor, is being considered seriously at present. It involves the totality of the area south of river.

Woodside Maternity Hospital is an old building. Until recently it has had a fairly significant obstetric and gynaecology caseload, some of which was high risk. It came under the aegis of the Fremantle Hospital in 1985, but most recently, when the hospital was combined as a health service, the board took the view on expert advice that some high risk obstetric and gynaecological services should not be carried out at Woodside due to the lack of backup facilities. Woodside has been reconfigured for low risk obstetric cases. It is an excellent place for that, particularly for normal deliveries that are handled by either midwives or general practitioners with obstetric training.

The annual report of the Fremantle Hospital and Health Service says that in 1995 more than 400 normal confinements from Woodside's immediate postcode area were delivered at King Edward Memorial Hospital for Women. That is a trend that we want to reverse. We do not want leakage past Woodside to the tertiary facility, which is King Edward hospital. We want more normal and low risk obstetric cases handled at Woodside and the higher risk obstetric and gynaecological cases handled at King Edward hospital, because it is a tertiary institution.

I freely concede, as would Fremantle Hospital, that its expansion is limited by physical constraints. I hope the member for Cockburn does not oppose what is being done there at the moment. A month ago I was privileged to reopen the paediatric ward which has been completely refurbished, and is a first class facility. Children who would otherwise be treated at Princess Margaret Hospital for Children, which is a long way from home, particularly for children south of the river, can now be treated at Fremantle. The renal unit was opened. That is a new service in a completely refurbished 50 year old building. People receiving dialysis treatment can now be treated at Fremantle Hospital which is a base from which services are offered to the community. The construction of a cardiothoracic surgery is in hand at the moment, as well as the complete rebuilding of the emergency area. I hope the member for Cockburn agrees all of that is entirely desirable at one of the tertiary treatment hospitals of the State, particularly from the only one south of the river.

I take to heart what the member has said about the number of births and obstetric cases from the Cockburn area. I am aware of the situation in Rockingham from not only the former member, but also the new member, who has brought the statistics on population growth to my attention. I am aware of the situation in the Peel Health Service area of Mandurah and thereabouts. Planning for the next 15, 20 and 30 years must concentrate on the area south of the river, because that is where the major expansion of suburban Perth will take place. It is being taken seriously.

The transfer of functions has a logic to it. A tertiary treatment facility, of necessity, implies the treatment of difficult cases with advanced technological methods. It should not deal with cases at a primary level. The facilities for those cases that require lesser degrees of intervention and can be dealt with at a more primary level should be closer to where the people are. We should bring the people to the service only where we must provide expensive services, such as cardiothoracic surgery. By and large, getting the services to the people has been part and parcel of the Government's policies for a time. It is something I have been advocating in the time I have been Minister for Health. It is driving the current planning with regard to health services, not only in this area but throughout the State. As far as I am aware plenty of land is available at what was the lakes hospital site, and consideration must be given to determining the best geographical location for other campuses or satellite facilities of whatever nature - whether it be a step down, aged care or maternity facility.

A significant number of people are seriously examining the long term planning for the whole of the south metropolitan area, which includes the south west strip down to Mandurah as well as the south east corridor, about which I have spoken a number of times in question time recently, and the areas in between. I thank the member for raising this issue. So far as I can, I will ensure he is kept informed as and when things progress beyond the preliminary conceptual planning stage. It is important that local members be involved in the planning of these types of facilities so that they can be aware of the intention of the planners to integrate primary, secondary and tertiary services across any geographic area.

#### **GRIEVANCE - BUREKUP PRIMARY SCHOOL**

**DR TURNBULL** (Collie) [5.11 pm]: This afternoon I shall present the case of the Burekup Primary School and plead with the Minister for the future of that school. At the end of February this year it was discovered that white ants had again infested the school. One classroom is severely affected, and the ceiling has fallen in on the administration centre. One of the other old classrooms is mildly affected. The third classroom at that school is a demountable and has been in place for 17 years. Once the people in that community heard about the white ant infestation and saw its effect on the school, they became very concerned about the future of that school. The Education Department commissioned a consulting engineer to review the damage and ascertain the cost of renovating the building. The engineer was asked to advise on whether the school should be repaired.

Approximately two weeks ago the parents were very pleased to hear that the Minister for Education had agreed to visit the Burekup school to meet them. The Minister arrived in Burekup on Monday, 17 March and was met by a large contingent from the community of Burekup. More than 100 people attended. The Burekup Primary School

had 64 children enrolled when the Minister visited the school. It now has 67 children enrolled. That is not because the school was recruiting extra children but because a new family with three children moved into Burekup. When the Minister met the parents he told them quite distinctly that the engineer's report did not favour repairing the school, and that the Education Department had accepted the recommendation and decided not to repair the two classrooms and the administration area. The parents, the parents and citizens association, and the community had been expecting that decision, and they prepared a strong case to discuss with the Minister. A small group of them met the Minister and presented him with a number of facts about the future of the school.

The Burekup people urge the Minister to allow the school to continue. If the Education Department does not regard it as economically viable to repair the existing school, a new school should be built. The delegation to the Minister presented a number of facts to him. First, the school at Burekup is central to the life and spirit of the community. It is a great attraction of the Burekup community. Second, the number of children enrolled at the school is increasing, even though it is a small school. The addition of three new students is not an uncommon occurrence. Third, Burekup is a growing area. The townsite is sewered, and over the past six years 40 new houses have been constructed - 17 in the townsite and 23 in the surrounding area. That is an average of nearly seven new houses a year. An area of 60 acres within the gazetted townsite has been serviced. It is almost ready for development as housing blocks. The price of blocks in the Burekup area is between \$15 000 and \$20 000. That attracts people to the Burekup area, particularly those with small children, who want to build a home. Burekup is close to Bunbury and provides an attractive alternative lifestyle to people who work in Bunbury. Another very interesting factor is that 20 of the Worsley employees live in Burekup and the surrounding area. The employees work 12 hour shifts and are attracted to living in Burekup because it is only a half hour drive from Worsley's operation. It is anticipated that the Worsley establishment will double in size, and the work should commence before the end of this year. That will provide a further concentration of employees, and it is reasonable to anticipate that at least another 20 families will move to Burekup as a result of that expansion.

Burekup is an expanding area. If negotiations with Roelands Primary School, which has 47 students, are successful, and it agrees to amalgamate, I trust the Minister will look very favourably on the desire of the school community that a new school should be based at Burekup.

**MR BARNETT** (Cottesloe - Minister for Education) [5.18 pm]: I thank the member for Collie for raising this issue, and I commend her on the way she is working with the local community on what is clearly a difficult issue. The member has already presented some of the facts and I shall add to that. The school building is 80 years old, of timber construction, has a serious white ant infestation and its ceiling collapsed. In my view, and the view of the Education Department, it is unsafe and certainly not suitable for the education of children. It is not in their interests to attend that school. The Education Department feels, and I concur, that the school buildings have unfortunately reached the end of their useful life.

I understand from the member for Collie that 67 children are enrolled at the school. The population of that school has progressively increased and I agree that, given the environment around Burekup and the attraction of small rural subdivisions, the population will continue to grow.

I attended a meeting with the member for Collie at Burekup on Monday last week. It was extremely well attended. I sensed the anxiety among the parents present. That is understandable and in many respects reflects the value they place on their local school and the education of their children. Although it was an unfortunate circumstance, it reflected the strong commitment of the parents to their community. The parents proposed that transportables be placed on the Burekup site in which the students could be taught until such time as a decision is made on the future of the school or a new school - if that is to be the case - is established.

Only last year I had the pleasure of opening the brand new Picton Primary School, which was built in excess of the demand at Picton. Therefore, it has four empty classrooms available. It would not be responsible, given that four new classrooms are available 15 kilometres away, to go to the expense of putting transportable rooms on the Burekup site and not using the existing facilities.

I have informed the school that as an intermediate measure for the start of next term Burekup Primary School will be conducted at Picton. However, Burekup will stay together as a school with its principal and teachers and operate as a school within a school. It will have its own identity but the students, for the time being, will be apart at the Picton Primary School. That decision was made in view of the immediate educational needs of the children as the current site was unacceptable, and I was not prepared as Minister for Education to use transportables and partly dilapidated buildings.

The member for Collie alluded to the future of the school. If one considers the geography of the school one sees, Burekup has Picton 15 kms to its south, Australind, 15 kms to its west, Roelands, 3 kms to its north, and Brunswick,

7 kms to its north. Therefore, it is surrounded by several schools. Of particular relevance is the Roelands Primary School, which is only 3 kms away, as this school has an enrolment of -

Dr Turnbull: Forty-seven students.

Mr BARNETT: So we have two schools; - I accept the member for Collie's figures - one with 67 students at Burekup, and 3 kms away another with 47 students at Roelands. Both schools are small, and although they have strong support from their communities, they suffer some educational disadvantage because of their size. Obviously split classes result in teachers trying to teach different levels in one classroom.

I put it to the community that if we were to rebuild Burekup Primary School as a new school, it would cost \$810 000 on preliminary estimates. Therefore, I would require of the Education Department that a new school at Burekup would cover the two schools. In other words, if we were to build a new school - I hope for the start of the next school year, and that would be pushing it at this stage - it would encompass both Burekup and Roelands. This would present some obvious savings and would allow a better quality of education for the students. It would be a school of just over 100 students. Although it would still be a small school, it would change the historic circumstance of two schools smaller than one would expect, being located only 3 kms apart. A new school would present many advantages as it would be far better equipped and serviced than the old building at Burekup.

That question has not been answered. We are looking at costings and how the school might be funded, and undertaking the necessary projections of future student populations. I hope we can produce a result acceptable to the people of Burekup. I know that the local member is playing a role in this regard. I hope positive and constructive community discussion can take place between Burekup and Roelands. My experience over the last couple of years is that if an opportunity arises to replace an old school with a new one, the result is that the education of the children substantially improves.

We have had a chance event of white ants partially eating a school. As unfortunate as that situation is, it presents a circumstance in which two small schools can come together into one small school of 100 students, but with the potential to have new school buildings and fewer problems with multiple split classes. Therefore, the opportunity for real educational benefits arises with very little inconvenience to the local population.

To be located 3 kms away from a school is not a great distance, even in a metropolitan area, and we are considering a semi-rural area. I hope the local community will not adopt a position that is too intransigent and will recognise that, by working constructively with the local member and me, we may be able to justify a new school to encompass both Burekup and Roelands. I hope we can.

The ACTING SPEAKER (Mr Ainsworth): Grievances noted.

### **MOTION - CENSURE**

#### *Premier - Election Promises*

**DR GALLOP** (Victoria Park - Leader of the Opposition) [5.26 pm]: I move -

That this House censures the Premier for misleading the public during the 1996 State election campaign by promising a "social dividend" to the people of the State.

This motion is all about the credibility of the current State Government and the degree it can be trusted to report truthfully to the people the State's financial position on a proper basis. This motion is about the degree to which the election promises of members opposite mean anything at all.

We have already seen some issues surface in relation to election promises. I preface my comments by indicating that the present Government has practised a level of cynicism which appears to be growing rather than reducing. The Government has reached new heights in the cynical attitude it displays to people in the course of the political process, and the way it approaches its responsibilities to the Parliament.

This cynicism was perhaps revealed most clearly in relation to the gold royalty. Before the last State election, the Deputy Premier made it absolutely clear that the placing of the gold royalty on the agenda of Western Australian politics by his Cabinet colleagues would lead him to leave the coalition. That was an unequivocal commitment made in the course of the election campaign; indeed, it was the basis on which many people voted in the election.

Since the election campaign, we have seen the Deputy Premier back away completely from that commitment. In fact, he has done so on the basis that the world has changed since the campaign, and this change has been made by the Commonwealth Grants Commission which determines the allocation of money on a relative basis. All members know that that is a fallacious excuse for breaking an election commitment because the grants commission has used the same calculations for many years. If any commitment were made on the question of the gold royalty based on the grants

commission, it could equally have been made last year, or two years before that. The bottom line is that a gold royalty is a matter for the State Government and the Parliament to determine and has nothing whatsoever to do with the grants commission.

The Deputy Premier thought he could fool people by using that argument. It is disappointing that a senior person in the Government of Western Australia would be so cynical about his responsibilities. The Opposition will be dealing with that matter in the Parliament later on this year, given that there is every indication that the Government will go ahead with that measure.

It is a good indication of the Government's cynicism in the exercise of its responsibilities. We have a real problem in our political system with the very intensely and passionately held view by electors, not only in our own country but also in other jurisdictions, relating to promises made during an election campaign. I recently read a very interesting article about the background of the move in New Zealand to establish a system based upon proportional representation. The argument provided in the article was that the people of New Zealand voted for proportional representation because of their complete failure of trust in the political system to produce the results they had been promised in elections. They used the example of earlier administrations in New Zealand; reference was made to former Prime Minister Muldoon. Apparently Mr Muldoon had a list of every election commitment that was made in the Cabinet room. It was called the bible and there was to be no deviation whatsoever from any of the commitments by a Government that he led. However, over a number of years the business lobby in New Zealand, which had a particular agenda, kept pushing that agenda and no matter what views were put at that election, in the end that lobby got its consumption tax and the radical commercialisation of many of New Zealand's government agencies and principles of economic rationalism were put in place throughout the country.

Mr Omodei: What about the Labor Party?

Dr GALLOP: The Labor Party was part of it. As a result there was a fracture in the Labor Party, there was disillusionment within the National Party and the people voted for a radical new political system based upon proportional representation. Part of the cynicism that exists in our community about politics and politicians is that election promises do not mean anything. One of the reasons that I feel strongly that we should oppose a consumption tax in Australia is that we have had two national elections in which the people made it clear they do not want a consumption tax. Is that making any difference to those who participate in the political process? Of course not. They say that we need a consumption tax and will continue to push and push no matter what the will of the people at the election.

Mr Court: Who is pushing for a stand-alone consumption tax?

Dr GALLOP: The Business Council in Victoria supported by Jeff Kennett and supported by members of his party, despite two elections.

Mr Court: Yes, but tied in with dramatic cuts in income tax.

Dr GALLOP: That is neither here nor there. The people expressed a very clear view at the election.

Mr Court: I am worried that someone will bring in a consumption and leave income tax where it is.

Dr GALLOP: That is one of the reasons people are cynical about politicians. No matter how they vote in elections they seem to get the same package after the election. That is a major concern to electors.

Mr Court: That is not right, you know. In 1993, promises were made to provide more jobs, better management, and to restore competence in the State. We achieved every one of the financial and social targets.

Dr GALLOP: I will come to the promises delivered at the 1996 election. The general issue I am raising here is that we must take much more seriously the commitments we make in election campaigns. If we do not, the seeds of change will continue to develop and there will be a continuing push to alter the way we conduct our politics, which may not be for the better. We should make it clear that promises in election campaigns are not just a transient issue; they are a fundamental issue that goes to the heart of the way our democratic system works today.

During the State election campaign, the Premier promised a social dividend. He said that after reprioritising government commitments and cutbacks in significant areas of government delivery, the next term would be an era in which the people would earn a social dividend for the pain they had suffered in the previous four years. Throughout 1996 and during the election campaign the Opposition said two things about the Premier's claim: First, the Government had consistently underestimated the impact of the change of government at the Federal level - there had been a consistent underestimation in his public statements and his statements in the Parliament of the impact of John Howard on the State of Western Australia and its ability to manage its finances; and, secondly, the forward

estimates given to the people on 14 November indicated very clearly to the Opposition that there were very tough times ahead for the delivery of core services in Western Australia.

Mr Court: So you are not saying we are pulling the wool over anyone's eyes.

Dr GALLOP: Hang on! We said at the time that the forward estimates indicated there would be no social dividend and the Premier disputed that. That is precisely what I am saying. The Opposition said that the figures from the Treasury Department indicated grim times ahead. However, the Premier denied it.

Mr Court: So, if we do better than the figures, we are doing well?

Dr GALLOP: We will talk about the figures in a minute. We were attacked by the Government about our claims on the future projections of income and expenditure in the State, and our claims about the impact of the federal Budget on Western Australia. Now we are left to ask a simple question: Who was telling the truth about the situation in Western Australia throughout 1996? Was it the Government of Western Australia, which was preparing for a very cynical election campaign, or was it the Opposition, which was monitoring the figures, determining what would be the impact of the Howard Government on the State, and interpreting Treasury's figures for the people of Western Australia? Who was telling the truth throughout 1996? This motion deals with that.

In the election campaign the Premier told the people of Western Australia that there would be a social dividend. The interpretation of his campaign speech on 1 December by *The West Australian* newspaper was headed "Court promises reward for pain". The basic thrust of his speech was that we had had a period of government in which tough decisions had had to be made; however, the time had come to return to the people of Western Australia some of the dividends for the effort they had put in. He said -

We have proved that with sound financial management there can be some very real social dividends flowing through to the community.

When the Premier uttered those comments, he knew only too well that the impact of the federal Budget would be more severe than first thought and also that the State was facing a much more serious situation than his own statements indicated. However, after the election he reiterated his promise. An article in *The Australian Financial Review* on 17 January 1997, stated -

. . . Mr Court spelt out his plans for a second term in office, talking of a bold agenda to maintain West Australia's strong economic growth while delivering "major social dividends" to the community in the areas of health and education.

"We have given ourselves certain key goals for this term of government . . .

He said there would be a major social dividend for health and education. I will say a few things about health and education before I finish my contribution today. On 3 February he reiterated his commitment to *The West Australian* newspaper and tied his vision for improvements in the social dividend to his drive to have a steel maker and a petrochemical plant established in Western Australia. Once again, we saw this commitment to change the emphasis of government away from the crude economic rationalism practised in the first term, towards a social dividend for the people of the State. Let us consider the reality of the State's financial position as it lines up against what the Premier said last year. First, let us return to the debate about commonwealth-state relations. We must remember that it was the Opposition in this Parliament that raised the issue and pressed the Premier on this question. By so doing, the Premier was in a position to report to the House and to the people about what the John Howard Government meant for this State.

The outcome of the 1996 Premiers' Conference was, of course, that the States agreed to make a \$1.6b contribution to repair the commonwealth deficit over three years. The Premier went along with that willingly. He did not protest. He went along with John Howard's agenda, which is not producing economic growth or reducing the rate of unemployment in Australia. A major issue in the next couple of years will be the degree to which the Howard agenda is taking Australia backwards rather than forwards, not only in the area of its economic fundamentals but also its social fundamentals. The Premier went along with that agenda, and it meant that Western Australia would have to pay \$60m in the 1996-97 Budget. Those payments were to be assessed annually by the Premiers' Conference. Additionally, the Prime Minister said that cuts of up to 3 per cent would be made in specific purpose payments to the States in future; and that represented a \$30m cut to Western Australia in 1996-97.

The special purpose payments to the States are in crucial areas such as hospital funding, government schools, commonwealth-state housing, roads, home and community care programs, supported accommodation assistance and disability services. Therefore, special purpose payments from the Commonwealth must be added to the general payments to the States, and that reflected a \$90m cut in this year's Budget. The cuts in the special purpose payments mean that the State either must supplement the programs or pull out, depending on the degree to which the

Commonwealth has changed its position. The Commonwealth might reduce the amount it spends on a program or spend nothing - as we saw with the dental program established by the Keating Government. If the States pull out, the program will not exist and neither will the services.

In 1996 the Opposition said that these cuts would have a serious impact on the people of Western Australia. We could not get the Minister for Health to give a clear statement before the election whether he intended to use state funds to back up the Commonwealth's withdrawal from the dental scheme. It was only after the state election that he gave a commitment. He said that the Commonwealth had pulled out and the Government had to impose further fees and charges. The people of Western Australia should have known that was the policy of the Government before the state election. Additionally, the Premier denied that the general cuts to the States would impact on his ability to deliver the Budget and to provide services at the same standard as those delivered in the past.

Mr Court: You said we would not be able to handle the \$60m cut.

Dr GALLOP: I do not think that the Premier has handled it. I will come to that issue. We said that the federal Budget would have a serious impact on the State's ability to manage core services such as health, education, transport and police. The Premier said that we did not need any new taxes or levies and that the Government would meet the shortfall by increasing public sector efficiencies. The Premier said that we would have a 1.4 per cent cut across the board which would be met by all government agencies improving their efficiency.

Mr Court: You said a similar thing last week. You said you would cut corporate services and travelling expenses, and the like.

Dr GALLOP: That was the program that we had during the election campaign. I will come to that.

The Premier said we would have a 1.4 per cent cut across the board in all government budgets and a delay in the capital works program.

Mr Court: It is tough, if we come in again without having to borrow and we balance the Budget -

Dr GALLOP: This motion is about the credibility of the statements made by the Premier before the election. That is the issue, and that is what the motion is about.

Mr Court: If we are able to handle the Budget with a \$60m cut, as hard as it is, will you give any credit for that?

Dr GALLOP: The Premier has an unfortunate habit of evading the issue. The issue on the agenda today is the credibility of the statements made by the Premier during the last election campaign, given the knowledge he had about federal-state finances and this State's Budget. The issue is whether the Premier was truthful during the election campaign or whether he was going through a cynical exercise of promising something he knew he could not provide.

Mr Court: You cannot call it cynical. You just said that the forward estimates showed that it would be tough. How can it be cynical?

Dr GALLOP: The forward estimates were produced by Treasury. The statements during the election campaign were made by the Premier.

Mr Court: You can read the forward estimates.

Dr GALLOP: Why is it when we pointed that out during the election campaign the Premier responded by saying, "The Opposition is talking rubbish. We are looking forward to a period when the dams are full, the revenues are coming in, and we will get a social dividend"? It is the Premier's credibility that is on the line, not the credibility of the Opposition, which produced a financial plan, backed by an independent analysis of the costings. We also raised this issue during the election campaign in the context of the publication of the forward estimates.

Mr Court: Is that a good idea?

Dr GALLOP: It is a good idea. We would like to have been told by the Premier how the promises he made during the election campaign were costed, and what they were; and, secondly, how they were factored into the forward estimates. We hope we will see that when the Budget comes down later this year. It would have been useful to see it during the election campaign. The Opposition did that; it put on the table all of its projected expenditures and revenues, based on forward estimates.

Mr Court: You said that you would sack 600 public servants.

Dr GALLOP: We put our policies on the table; the Premier did not. On 14 November the Treasury published the forward estimates. The forward estimates are a projection on the basis of existing conditions, and the existing conditions on the expenditure side are a set of commitments by the Government to a range of programs. We then



project into the future on the basis of the continuation of a commitment to those programs. On the revenue side, we look at the projections for growth and inflation and factor in revenue on the basis of the existing tax capacity of the State. We assume no new programs or taxes, and project that into the future. That is what the Treasury did with its forward estimates.

The Government said during the election campaign that any room it would have for new programs would come from productivity savings. This is the Government that parades itself as one of financial responsibility. During the election campaign the Opposition indicated, point by point, where it would get the money which would be required to meet its commitments. We said that a number of departments would be amalgamated. We indicated what we could cut from corporate services, as well as what we could take from expenditure on consultancies and travel. We said in very specific terms how we would achieve those results.

Mr Court: You would have cut the travel budget from \$70m. The only trouble is that we spent only \$40m.

Dr GALLOP: We are talking about a four-year program, and the Premier knows that. We identified where these results would occur. All the people who voted in the election knew that under us, the Fisheries Department and Agriculture Western Australia would be united in one department and that the corporate services area of government would be reduced by a percentage figure. The Government said that there would be an across the board cut of \$352m in the state Budget. There was no definition, no specifications; just a generalised statement.

We met our accountability requirements in the election campaign but the Government did not. It made a very vague and ill-defined statement that there would be productivity savings worth \$352m. Importantly it then factored those into the forward estimates. Thus we saw cuts to education of \$141m; to transport of \$74m; to training of \$29m; to police of \$124m; and to health of \$68m. We based our figures on the Government's projections. We incorporated in them a fair distribution of the wage bill that would be spread throughout government during the next four years and we used a price deflator. Since then, the price deflator may have changed a little, so our figures may have altered somewhat because of that; however, it will not have a big impact on the thrust of what we said in the election campaign.

The real agenda of the Government was to say to the people of Western Australia that there would be a social dividend. Even when the promises the Government made throughout the election were factored back into the figures - the Government never did that in its financial statement to the people in the election, but we did in our projections - there was still a gap which indicated there was no social dividend. The Government was in no position to promise such a social dividend to the people of Western Australia.

Things are actually worse than that. We now find the Government's whole 1996-97 budget strategy is in tatters. The evidence for that comes to us in two key areas. We have been asking questions in this Parliament about the health and education systems. I will start with the health system. There is no doubt that the public health system in Western Australia is on its knees. It cannot take any further cuts. We said that in 1995 when cuts were introduced into the system. We said it in 1996 and mounted a campaign, and \$89m was put into the system. Meanwhile the system has been subject to pressures and it is not capable of meeting the budget set down for 1996-97.

Mr Court: You don't say that the \$81m went in, but we still met our budget targets. We did not have to borrow it.

Dr GALLOP: This financial year has not ended yet. The evidence we are getting from the health system is this: The Government is under enormous pressure to meet the demands that have been placed on the health system.

Mr Court: That is hardly a secret.

Dr GALLOP: The Government does not have the funds to meet those requirements. Let us now turn to education. The answers to the questions we asked of the Minister for Education indicate he is having similar problems in meeting the requirements. Last year we said that these pressures were in the system, and that if major new commitments were given in the election campaign, they must be properly funded. We specified where our funding would come from. The Government had a vague and ill-defined concept of productivity savings that is not being met. Indeed services are being cut. Any notion that productivity is improving and services are not being cut has been shattered by the Premier's comments since the election, comments he was not capable of making before the election.

On top of this, one further factor has come into the equation - the new position of the Federal Government. I will make it clear. Let us not allow the Premier to get away with his argument that the forthcoming federal Budget will be massively different from what he knew was the case last year. We have consulted people on this question and we are told - I ask the Premier to confirm this - that the only change that must be made to his assumptions about commonwealth expenditure for the States is an extra \$139m in special purpose payments, which will translate to about \$15m for Western Australia; that is, on top of what the Premier knew to be the case in 1996, another \$15m may be added. I ask the Premier whether that is the case.

Mr Court: You have left out one other thing. Since the election the grants commission came down -

Dr GALLOP: That is just ridiculous. The Premier knew about that in 1996. The position of the Commonwealth Grants Commission on Western Australia and the relativities component has been clear for a number of years. The Premier knows that.

Mr Court: I don't know that. You seem to know more.

Dr GALLOP: The Premier is getting general payments from the Commonwealth and special purpose payments.

Mr Court: You cannot have it both ways, my friend.

Dr GALLOP: The only change from 1996 in what the Premier knew to be the case is the possibility of another \$15m. That position has been put to us by officials.

Mr Court: I have just said that you are wrong. After the election the grants commission came down with a different amount from that which we have.

Dr GALLOP: It is a question of what John Howard is giving this State in his general purpose payments.

Mr Court: We lost another \$200m, but I guess that is nothing to you.

Dr GALLOP: He is giving the State what he said he would last year, and the Premier knows that is the case. However, he may not give this Government another \$15m in special purpose payments. The Premier has now been caught out by the reality. He was not in a position, on the basis of what he knew to be the figures in the election campaign, to promise a social dividend. There will be no social dividend to the people of Western Australia.

Mr Court: If there is, what will you do about it?

Dr GALLOP: There will be increases in taxes and charges on the people of the State.

Mr Court: Ask for more; that would be right.

Dr GALLOP: One of those taxes will be imposed on an industry that before the election was promised there would not be one, and there will be further reductions in the level and quality of service of our public sector. We say this about the situation that faces Western Australia currently: The situation cannot continue where the Government is incapable of delivering extremely important services and infrastructure to the people of this State on a proper foundation. Two responses are needed from the Government of Western Australia: The first is to get its own house in order, without impacting upon core services of government.

Mr Court: To bring about more efficiencies.

Dr GALLOP: We outlined very clearly in the election campaign point for point - we did not talk in generalities as the Government did - where we would bring about those savings in government.

Mr Court: In a moment I will get up and make an absolute mockery of what you are saying.

Dr GALLOP: I am looking forward to that, just like the Premier got up and made an absolute mockery of what we were saying about Global Dance Foundation. I hope we get a repeat performance. Global Dance Foundation is a fiasco with \$430 000 going for nothing. Is that good government?

Mr Court: I have never denied it is a problem.

Dr GALLOP: I know that, but the Premier has denied that the Government's priorities are not wrong. Of course they are wrong. That is the fundamental point we made. That is the first issue the State of Western Australia must address - getting the priorities right. We have seen a lack of discipline in government; an arrogance in government in respect of its own corporate services; and a complacency about the amount of money being spent on consultancies, all of which mean the Government has no credibility with the people.

Mr Court: You have just spent four years attacking us for cutting down on corporate services. Now you have done a complete backflip.

Dr GALLOP: The Government has not cut down on corporate services. That has been the essential nature of our criticism. The Government is not financially responsible. The first point is getting the priorities right. The second is this: We must have a fundamental change in the way in which federal-state relations are conducted in this country. We agree with the Premier on that subject.

Mr Court: How do you do that?

Dr GALLOP: Of course, there is absolutely no will in the current Government in Canberra to bring about a reallocation of resources. The only glimmer of hope in Australian politics to bring about funding for the States was -  
Mr Court: Bob Hawke.

Dr GALLOP: - Bob Hawke, and the Premier agrees with that. That was the only hope for the States in this issue.

Mr Court: But he got rolled by Keating on that subject.

*Sitting suspended from 6.01 to 7.30 pm*

Dr GALLOP: The matter before us this evening for debate is why the serious financial position facing the State was not disclosed to the people of Western Australia before the last state election. I contrast the presentation by our Premier last year before the State election with his presentation today in the light of the problems we face.

The Premier of 1996 is what I call the-dams-are-full Premier. The Premier of 1997 is what I call the-dams-are-empty Premier. In 1996 in the build-up to the election he said that we had significant rates of economic growth as a result of revenues going into the coffers of the Treasury in Western Australia and that the ability of the State to fund its programs augured well for the future.

The Federal Government imposed a cut which impacted on Western Australia's finances, but that was all easily dealt with within the context of solid, financial management within the administrative system. Indeed he stressed that no impact would be felt on service delivery; it would be an impact on productivity to achieve a service level. Flowing from that optimistic scenario a social dividend was to flow through to the people of Western Australia, particularly in health and education, which are obviously very important to the future of our State and its ability to offer a proper service to the people of Western Australia. That was the-dams-are-full Premier before the last election.

The-dams-are-empty Premier, a description that has emerged since the election, has a different view of the state of affairs. Growth forecasts have been slightly downgraded, which has not yet been reflected in any stated decline in revenues, as was predicted in the 14 November financial estimates. Growth forecasts show a decrease, but revenue forecasts have not altered.

All of a sudden the impact of the Federal Government has become a major issue for the State of Western Australia; whereas before the election it was a manageable issue. The only cut that can be referred to is a potential \$15m cut in special purpose grants over and above what was expected and known about in 1996. As a result of this changed description of our financial position, the Premier is now saying that cuts in service delivery and/or an increase in taxes and charges will be necessary.

The Opposition has already pointed out that one item on the Government's agenda is an increase in taxes and charges for which it has no mandate, and for which a specific commitment was given before the election not to increase them. That commitment should be kept if the credibility of our political system and of elections is to be maintained within an increasingly cynical community.

We are aware that changes by the Federal Government have affected delivery of dental services. In addition, increased fees and charges are now being imposed on the users of that service. In the medium term, the future for the State is not at all one in which we can confidently say a social dividend will come through to the people of Western Australia. The fact is that our health and education systems are now under enormous strain and as a result the credibility of the State Government is under enormous doubt. The only person who must take responsibility for that gap between expectation and reality is the Premier of Western Australia.

In the election campaign he gave every expectation to the people that the time had arrived when money would be flowing into the coffers of our health and education systems and that there would be what he called a social dividend. Those expectations have been rapidly undermined by recent statements. The new tactic of the Premier is to blame the Federal Government for all its financial problems.

The Premier is as cynical on the issues as he has been on all financial issues that have confronted him in the past 12 months. The Opposition will always agree with the Government of the day on reform to our federal-state financial system. We will support any move to ensure that a bigger share of the revenue collected by the Commonwealth Government goes to the States unattached, untied and in a way that allows the States to perform their functions properly.

Mr Court: Will you support a tax reform agenda?

Dr GALLOP: We said in this Parliament last week that we would support tax reform, but we would not support a goods and services tax. Our position is clear on that.

I repeat the central argument: We cannot keep having elections in this country and a week later ignore what the people told us at the election. The credibility of our political system is being continually undermined. I make yet another plea to the Business Council of Australia and the Chamber of Commerce and Industry to listen to what people say at the ballot box. If politicians are to very crudely and cynically ignore what is said in elections and to reverse positions, so be it; they will suffer the consequences of that reversal.

We will join the Premier in trying to bring about a reform of our federal-state system, which is necessary if our federation is to work properly. We have always supported that change. However, we will not support the Premier's being allowed to cynically change his pre-election tune after the election without being held to account for that change of tune. We are strongly of the view that he should be held to account for that. Inasmuch as the issue of the financial affairs of the State is the subject of analysis, we say we should look at our own house before we impose cuts in core service areas. That is a fundamental principle we apply to the whole question.

The Premier conveniently avoids the questions that are posed to him. On this occasion the issue is his credibility, the statements he made before the election, and the relationship between those statements and what he knew to be the case at that time. His credibility is on the line. The issue is not the state of Western Australia's finances, but what the Premier knew about the state of its finances last year, what he told the public about that, what expectations he created in the community, and how that flowed through into the election process. That issue is on the table for debate this evening. The Premier has a lot of explaining to do about the presentation he gave in 1996.

The people of Western Australia face the grim prospect of cuts in services, increases in taxes and charges, and broken promises on the gold royalty. It is most important that the background to that problem be revealed to the people for what it is - a very cynical Premier in a pre-election climate, avoiding his responsibilities to the people, and not long after the election hoping that in the first year of a four year term he can get away with breaking promises and imposing great pain on the people without looking at his own house and putting that into order, and that over time he will be in a position to restore some of his fortunes. That style of cynical government is no longer found acceptable by the people. It undermines the credibility of our democratic process and it is out of keeping with the expectations we have of our Government and the way it works. The Premier should be held to account for his cynicism and for his failure during the 1996 election campaign to reveal to the people the facts about the impact of the federal Budget and the state of Western Australia's finances.

**MR RIPPER** (Belmont - Deputy Leader of the Opposition) [7.42 pm]: I second the motion moved by the Leader of the Opposition. It has become traditional in election campaigns in this country for political parties to make promises before the election and then to come into office and say that things have changed; that there is a black hole, the other side did not tell the truth about the finances of the State or the nation, and now they must suspend or abandon most of their promises, keeping core promises and abandoning non-core promises. There is an interesting new twist on that tradition in Western Australian politics because now a re-elected Government is trying to pull the same sort of trick. It made promises before the election and after the election it says that things are not quite what it thought they were; the Commonwealth has been tougher than expected and the State will have to suffer a tough Budget.

This whole charade was supposed to be invalidated by the publication of the forward estimates. The Government's much touted four year financial plan was supposed to prevent this chicanery, but the Government wanted to have it both ways. It wanted to say that it had opened the books and that it had a four year financial plan and had been open and accountable. It also wanted to say that people should not worry too much about the pain of the past four years; a social dividend was in store for people if they just returned the Government to office.

On 11 December the Premier told *The West Australian* that without economic benefit there could not be improved social benefits, and that if the Government got the State's finances in order, we would then get the social benefit. He said also that the Government did not envisage the need to cut the overall size of the public sector. He clearly told the public that there were good times ahead; the sacrifices had been worth it. The privatisation, the job losses, the contracting out, the sad experiences in the health system, and the dirty schools were all worth it because a social dividend was in store.

He was not the only one saying that. The Minister for Education in a television interview went so far as to say that there would be real growth in education spending if the Court Government were re-elected. The Premier on radio spoke about police numbers. Despite the evidence in the forward estimates he told a radio audience that additional police would be employed.

Mr Court: Did we say there would be real growth in education spending?

Mr RIPPER: Minister Barnett said on television that there would be real growth in education spending.

Mr Court: So if we have real growth, have we had a social dividend?

Mr RIPPER: If there is real growth in the education system over four years, the Government can claim some credit. However, given what we hear about what is happening in the education system we will wait to see whether there will be any real growth. If there is real growth in the education system over the next four years, it will be contrary to what was indicated in the Government's four year financial plan, which does not demonstrate there will be anything like real growth. If there is real growth, the Government will get a tick, but it will get a cross for releasing a misleading set of forward estimates and calling it a four year financial plan.

The forward estimates belied the Premier's statement that there would be additional police because they showed that police spending would have to increase to \$441.8m by 2000-01 to keep pace with the inflation rate; yet the Government proposed an increase to only \$394.4m, plus a proportion of the global allocation for wage and salary increases. It is a little difficult to work out precisely what proportion of the total global allocation for wage and salary increases should be allocated to particular agencies. However, if the Police budget is compared with the budget for the rest of the public sector, a notional proportion of the global allocation can be added. The forward estimates for police spending plus a proportion of the global allocation falls short of the amount required to match the growth in inflation by \$42.1m in 2000-01. Shortfalls exist in the figures for the years between now and then. By the Opposition's calculations, the total shortfall over the four years amounts to \$123.8m. The forward estimates contain no capacity for the extra police the Premier told the radio audience about.

Eventually, after much backing and filling, the Premier was forced to backtrack. His answer was almost comical. He said that what he really meant was that the State would have the same number of police, but they would work more days a year; therefore, that was the equivalent of having extra police. There will be no extra police - just existing police working harder. That is the basis of the promise. The Premier misled the public during the election campaign. It was only after sustained pressure from the Opposition and the media that he admitted the Government would simply ask existing officers to work harder.

That situation in the forward estimates is the same in other important areas of service delivery. Expenditure on education for 2000-01 is listed in the forward estimates as \$1 324.9m. The amount required to keep pace with inflation is quite a bit more; that is, \$1 433.2m. Of course, the appropriate proportion of the global allocation for salary and wage increases for education must be added to that figure. We then find that far from being a real increase in education spending, as forecast in the forward estimates, by the year 2000-01 there will be a \$65.8m shortfall. Again, there are shortfalls in each of the preceding years in the forward estimates. The total shortfall for education in real terms is \$141.7m.

It will be very interesting to find out who is correct. Was the Premier's four year financial plan, which he touted during the election campaign, correct or was the Minister for Education correct when he told a television audience that there would be a real increase in education spending? For the sake of the children of this State, I hope the Minister for Education is correct and that the Premier's four year financial plan was not an accurate account of the situation.

I am concerned because as recently as the opening day of this parliamentary session, the Premier confirmed, by way of interjection, that he stood by the forward estimates published during the election campaign. If that is the case, there is no prospect of a real increase in police or education spending. In fact, in both areas there will be real cuts after making an allowance for the inflation rate. It appears there is a lot of government doubletalk surrounding the forward estimates. On the one hand the Government is saying that it opened the books and is accountable. It also refers to its four year financial plan and says that it made this information available to the public of Western Australia. On the other hand, when the Government is taxed with the implications of the forward estimates it says, "These are just estimates. Things change and the Opposition doesn't understand them." The Opposition does understand them. It also understands the pattern of deception in which the Government has been involved.

Mr Court: How can you say that when you are saying that we have declines in the forward estimates? Why would we go into an election campaign saying that we would cut expenditures if there was a pattern of deception?

Mr RIPPER: This is the pattern of deception: When the Government noticed that there was a pattern of decline it wanted to run away from it. The Premier said on radio that there would be more police. The Minister for Education told a television audience that there would be real growth in education spending. As soon as that was pointed out to the Premier, he said the Opposition did not understand the forward estimates and there would be a social dividend. Even now in this Parliament the Premier is backing away from the forward estimates.

Mr Court: I am not backing away from them at all.

Mr RIPPER: The Premier disputed the Opposition's calculations on the real cuts which were revealed in the forward estimates. The Premier said -

Mr Court: I said that you didn't understand them.

Mr RIPPER: The Premier did say that and he also said there was a \$10m real cut in police expenditure. As I said last night, the Opposition looked to see how the Government arrived at that result. It included the gun buy-back money in the estimates, which is federal money designed not to be used for employing police or paying for police services. The Government also included the entire global allocation for salary and wage increases, implying that there would be no moneys left over for wage and salary increases in any other part of the public sector. It also used a lower inflation figure than the figure published in the forward estimates. Having done all those things the Government could not arrive at a better figure than a \$10m real cut in police spending. The public will not wear that. It does not think there is any case whatsoever for a cut in real terms in police expenditure.

Mr Court: Do you think the size of the Public Service should be reduced?

Mr RIPPER: The Opposition said in the election campaign that there were some activities it did not support. It thought there should be a cut in corporate services, travel and expenditure on consultancies. Had the Opposition been able to implement the savings it outlined in the election campaign, it would have shifted those people to priority areas of service. The Opposition believes those options are still available to the Government rather than the option of saying to the people of this State, "Look, it is a tough Budget because the Commonwealth has been nasty to us. We really didn't expect them to be like that and we will have to impose new taxes and charges. Maybe you'll have to experience some service declines."

It is worth noting that during the election campaign the Opposition specified the savings it intended to make if it was elected to Government. The Government did not do that. It simply said, "There will be a productivity dividend which will save \$352m over four years. We are not prepared to tell the public how we will do that; we will just do it." I can imagine what the Government would have said to the Opposition if it had plucked a figure like that out of the air and said that it would save \$400m over four years. The Premier would have been shouting from the rooftops that the Opposition was proposing to manage the state's finances irresponsibly. It would have asked the Opposition for details. The Government thought that, because the details were in a Treasury document which looked very official, it could give the figure of \$350m without any explanation.

Since the election there has been a change of tune and we see a change in newspaper articles. I refer to an article which was headed "Tough Budget on the way". The article states that the Premier signalled that he would bring down a tough Budget this year. He also said that it would not be an easy Budget because revenue was tight and demand for expenditure was high. The Premier is no longer displaying the optimism he displayed during the election campaign. The Government is simply blaming the Commonwealth Government for cuts in commonwealth grants to this State. It appears that every year there is an argument between the Commonwealth and the States. Each year the States are dissatisfied with the commonwealth grants, but that is to be expected from a state government. More to the point, the majority of the payment reductions to the State in the forthcoming financial year were foreshadowed last year. The States agreed with the Commonwealth that they would assist its budgetary position by accepting some reductions in commonwealth grants.

Unfortunately, this State will experience a reduction in its relative share of commonwealth grants. It is something to which both sides of politics in this State can legitimately object. This State is being penalised for its economic success. It will be a problem for Governments of both political persuasions in the future. No matter how much we promote economic growth in this State, the Government will not reap the full benefit of that growth. Once again, we should have expected this sort of change. The State Government has known for a long time the formulae applied and the way the Grants Commission works. There is no justification for the State Government to say that since the election there has been a sudden change that has altered the context in which we can debate this issue. Most of the cuts were foreshadowed and the changes and relativities are easily predicted, as I am sure they were predicted by the Treasury before the last election.

Some of the Government's chickens have come home to roost. Last year, when the Commonwealth Government cut the grants to Western Australia, the State Government refused on numerous occasions to specify how those cuts would impact on the community. There were cuts of \$60m in financial assistance grants, \$30m in specific purpose payments and \$10m as a result of the imposition of a commonwealth sales tax on executive vehicles purchased for senior officers in the public sector - a total of \$100m. Time and again we asked the Premier in this House to specify what changes would be made in the state Budget as a result of the cuts, which came into effect after the Budget had been presented to this Parliament. On every occasion, he refused to be specific. He said that there are often changes in budget aggregates and the Government would manage those changes within the normal range of developments that follow the handing down of a budget. That was his attitude last year to commonwealth cuts - before the election; he was optimistic and confident that the matter could be handled managerially without any reduction in services to Western Australia. He has quite a different attitude now. We are facing the same sort of cuts, but it is now post election and it is the Commonwealth's fault. We need a tough Budget and a gold royalty; we must manage our

expenditure very carefully; stand by for public sector job losses and cuts to key services. The outcome for Western Australians will not be very happy at all.

We are already witnessing hospitals running out of money. I am sure my colleague the member for Fremantle will have more to say about that in a moment. We are also facing difficulties in the education sector. The Government is about to embark on a massive program of school rationalisation. It appears that school rationalisation - the closure of schools - is always cloaked in euphemism in this State. On this occasion it is known as "local area planning". The Education Department will develop a local area plan and a high school that has previously offered a comprehensive program, including years 11 and 12, will no longer offer the same courses. It might offer only lower school subjects and the upper school students will be required to travel to another campus. Primary schools might be closed and the students sent to a high school campus to form a metropolitan district school. Some schools may specialise in vocational education, which means that students who want to study for university entrance will be required to travel to another part of the metropolitan area. Not enough attention has been paid to the implications of local area planning. I do not believe that parents realise what awaits them. We are potentially facing a massive program of school closures which was not admitted before the election and which even now the Government is trying to fudge. We are also witnessing significant cuts to personnel numbers at the Education Department's head office and we are likely to see the amalgamation of district offices. Of course, on the ground, in the schools, despite the widely held opinion that things are getting worse, we will see the expansion of contract cleaning. The outcome of the budget situation will not be happy for the education system.

Despite our burglary and car theft records and despite the more than 55 per cent increase in assaults against the person in the past four years, there is no extra money in the forward estimates for more police officers. Post election, the Premier is talking about a tough Budget and blaming the Commonwealth. I do not have much confidence that the Government will come up with the extra police officers required to maintain the ratio of police officers to population in this State.

I do not want the Premier to think that this debate is simply about budget technicalities: It is about his integrity. He told the people before the election that they would receive a social dividend, but after the election he has said there will be a tough Budget. How does he explain that? He blames the Commonwealth. Everything the Commonwealth is doing was known or predictable before the state election. The Premier has deceived the public of Western Australia. He has helped members on the backbench get elected by making what I believe are false and misleading promises to the people of Western Australia. Now they are happily ensconced in their seats, he tells the public there will be a tough Budget. Those members will now face some difficulties, because they will be required to explain to people why hospital waiting lists are growing, why the ratio of police to population is getting worse and why a local school is about to be closed. They will be required to explain why the promised social dividend has not reached the people of Western Australia. The only explanation that will have any credibility is that the Premier misled the people. Despite his promise that he would be open and accountable and that by publishing the forward estimates he was opening the books, despite his claim that he had a four year financial plan, he was behaving just like the traditional politician he said he was not. Before the election he told the public that everything would be okay and that they would receive a social dividend, and after the election he has told them that things are much worse than the Government anticipated and that it must bring down a tough Budget.

Mr Trenorden: I have listened to the bulk of the member's speech. He must concede that the new forward estimates and documentation that the Opposition receives now is far superior than at any other time in the history of this place. The fact that he can debate the issues he is today is tribute to the fact that he has the information.

Mr RIPPER: The member for Avon has a point: It is good that the forward estimates have been published. However, it is not good to see how the Government has handled them. Every time the Opposition has pointed out the implications of the forward estimates, the Government has denied them and has said that the Opposition does not understand the issue. It has said that there will be a social dividend, real growth in education spending, extra police and so on. The Government has not been honest about the forward estimates and what they really mean.

Mr Trenorden: It is fair for the Deputy Leader to argue that position in this House, and everyone would expect him to do so. However, I am pleased that he accepts the fact that there is now a more open and better process.

Mr RIPPER: The publication of the forward estimates has improved the opportunity for political debate in this State, but not as much as those opportunities could have and should have been improved because the Government has not handled the debate properly. The Government wanted the best of both worlds: It wanted to be able to say that it was accountable, financially stringent and that it managed the State's finances very strictly; on the other hand, it wanted to say that there would be no cuts in services, there would be a social dividend and people should not worry about the pain they have experienced because services will improve in the next four years. The Premier must be censured for this behaviour because he has turned out to be the traditional politician: Making those statements before the election and repudiating them afterwards.

**MR COURT** (Nedlands - Premier) [8.11 pm]: This is a most unusual censure motion. It states that the House censures the Premier for misleading the public during the 1996 state election campaign by promising a social dividend to the people of the State. What is misleading about that? We have not brought down our first Budget. How can the Opposition say it is misleading because benefits are not flowing through? At the end of four years, if we had not performed, the Opposition could move such a motion. I find it ludicrous that in the first weeks of a Parliament after an election the Opposition is implying that there has been no social dividend.

Mr Ripper: You say that there will be a tough Budget but you did not say that before the election.

Mr COURT: All I can say is that the Opposition members must be mind readers, if they know something we do not know.

Mr Ripper: Are you saying the Budget will not be tough?

Mr COURT: The Budget will be tough. The Opposition said that itself. If members opposite could read the forward estimates properly, they would know we are expecting virtually no revenue growth and we are having to operate within very tight constraints. Does the Deputy Leader of the Opposition think it is good politics to have Treasury put out a set of figures that say we have four tough years ahead?

Mr Ripper: You did not say that during the election campaign.

Mr COURT: We did the most responsible thing we could. We said it exactly as it was. We said, "This is the financial position."

Mr Ripper: Your deputy said there would be real growth in education spending. That is not in the forward estimates. You have special pull in the Cabinet, do you?

Mr COURT: Yes.

Mr House: So do I.

Mr COURT: Yes, so does he.

Several members interjected.

The SPEAKER: Order!

Mr COURT: The Opposition is having difficulty in coming to grips with a few financial changes that are taking place. We set financial objectives which we stuck to for four years and which we will stick to for the next four years. The Opposition has been dragged into having to work within those objectives. The days have gone when it could run around with a consolidated fund annual deficit of around \$300m and the highest debt levels on record. The Opposition was using borrowings not for capital works but to finance recurrent expenditure, such as school maintenance programs. It was expecting our children in the future to repay the borrowings for the current year's expenditure.

Mr Ripper: During the election campaign you said there would be a social dividend.

Mr COURT: That is right. We will get one because we will see good financial management for the next four years, even if things are tight and tough. Yes, the Budget will be tough. We have priorities so that money will be spent in the right areas.

Mr Ripper: What about health?

Mr COURT: I have said that health and education are critical areas. How can we expect the State to go through a period of strong economic growth from which the people will benefit if we do not give them a decent education? That is why we are prepared to put resources into those areas. The Opposition must come to grips with the fact that we live in a low inflation environment. The Budget contains virtually no revenue growth. Even with measures in place for lifting the revenue, there will be virtually no growth. The days have gone when people could fiddle by whacking 10 per cent up here or there; people have had to come to grips with the real levels. We cannot run away from the fact that if we are to deliver benefits we will have to be pretty tough and tight in controlling expenditure.

I want to give some examples. The Deputy Leader of the Opposition made reference to what he said during the election campaign about what the Labor Party would do if it won government. One of the highlights of this election campaign is that the Labor Party forgot to release all its policies. It hardly had any policies, which is a pretty clever move because it cannot be criticised. It did not have them ready or it was too embarrassed to put them out. The reason it could not put them out was that it had not costed them.



Mr House: Perhaps they could not agree.

Mr COURT: Yes, it was a shambles. A time came during the campaign when the Opposition had suddenly to release costings of how it would fund its different promises. It suddenly had this magical cure of finding savings in the corporate services area. The amount was \$165m. Did the Opposition say during the election that it intended to sack more than 600 public servants?

Mr Ripper: We did not; we undertook to cut spending on corporate services and redirect it to other areas.

Mr COURT: Seventy per cent of the cost of corporate services is made up of salaries and wages. In order to achieve the Opposition's goal it would have had to sack 600 corporate service staff, not transfer them, plus about 50 senior executive service members, which meant that 650 people would have had to go to meet the target. I did not hear one word during the campaign about the Opposition's intention of sacking more than 600 people. The Opposition then moved to travel. It intended to save \$42m a year in travel. In order to work out that it could save that money, the Opposition had to assume that we spent \$70m a year on travel; in fact, we spend \$42m a year on travel.

Mr Ripper: We got that figure from the Auditor General's report. If you want to argue with the Auditor General, you go ahead.

Mr COURT: I do not know from where the Opposition plucked the figure, but it would have had to cut off \$10m, one-quarter of travel. Some 70 per cent of the cost of travel is intrastate caused by shifting around nurses, teachers, police and so on - not the fat cats. The Opposition is saying that all of a sudden it can cut one-quarter of their budget and meet its magical savings. That is ludicrous. I have heard nothing from the Civil Service Association about the proposals. The fact of the matter is that the Opposition got caught out during the campaign and it is still running around saying, "We will cut corporate services", knowing only too well that 70 per cent of the cost is the salaries and wages bill. Members opposite talk about the effect on the community when we have a tight financial situation. Nothing demoralises a community more than having a Government that is corrupt or incompetent, or both.

Mr Ripper: What about when you promise one thing before an election and repudiate it afterwards?

Mr COURT: I am not repudiating anything. This is ludicrous. We have just had an election. We have presented a financial plan, which members opposite agree shows very conservative figures with regard to expenditures and revenues, so members opposite cannot say that we have tried to hoodwink people with regard to that plan. If we put some good resources and good management into areas such as education and health, members opposite will have to give us a tick. I hope they do judge us, and if we do not deliver at the end of four years and if we do not get the runs on the board, then they can move a censure motion. Members opposite cannot move a censure motion about something they believe will happen in the next four years but has not even started to happen. We have every intention of delivering on those fronts.

Mr Ripper: Stop talking about a tough Budget, stop blaming the Commonwealth, and people may have some confidence that you will do what you said you will do.

Mr COURT: I will talk about a tough Budget, because it is. Last year I had to come into this Parliament and say that under the arrangement that we had made to assist the Federal Government with its deficit, our contribution would be \$60m that year, the next year it would be another \$60m, and the year after that it would be \$30m. Members opposite asked us how we would do that, and we said it would be difficult and we would have to find efficiencies and savings and make sure that we managed our \$7b Budget to bring about that level of savings. We are on target to bring that about this year, having cut our cloth so that we can live within our means. We did not take the route of the former Government and borrow more money. Sure, we made some tough decisions. As a consequence of the Premiers' Conference last week, we have had another cut in our commonwealth grants due to the relativities with which members opposite agree. A cut of \$534m in four years is a lot of money. This year, our Budget is down \$200m because of those changes in the relativities.

Mr Ripper: That was predictable before the election.

Mr COURT: Not the whole amount. We did not get those figures until well after the election. We then had a forward estimate from the Federal Government that it would cut our special purpose payments. In addition to those cuts, we will have to take out another \$15m. That is all real money that we will have to find, and we will have to work to live within our means. It will be tough, but within those tough parameters we will cut our cloth accordingly, and we will continue to provide good financial management so that the State lives within its means and has a proper debt strategy in place, and at the same time we are able to concentrate the funds where we believe they are best suited. I have said publicly in recent weeks that this is our fifth Budget, and it is by far the hardest. We cannot cop ongoing cuts from the Federal Government of the magnitude that we are getting and say it will be easy, particularly when there

has been a slight downturn in the revenues from a number of sources that for some years have experienced good growth.

Mr Ripper: Very good growth.

Mr COURT: If the Deputy Leader of the Opposition wants to use that argument, he should look at what happened during the 1980s, when this State had incredible revenue growth and the former Labor Government squandered \$1.5b of it. This financial year is tight because we have had to accommodate that agreement with the Federal Government, and the next financial year will be even tighter, but that does not mean that we cannot still deliver benefits to the community. That is the challenge that we have as Governments. Members opposite say where we should increase expenditure, but they never say where we should decrease it.

Mr Kobelke: Yes we do - decrease consultants!

Mr COURT: Members opposite would not have a clue about what the former Government spent on consultants. It took us nearly a year to put the figures together for that Government; it was almost impossible to do. What is different, and what members opposite do not understand, is that we get travel reports regularly and we get consultants' reports regularly. Members opposite never had any of that. For four years, members opposite have criticised us for the cutbacks that we have had to make in many areas of the public sector. We had to cut the public sector from 100 000 to just under 90 000 and to bring about cuts in many other areas. We had many efficiency improvements; as a result, the bottom line is that we have lived within our means, we have reduced our debt levels, and the State's finances are back in a strong position.

Let us talk about social dividends. It is interesting that the Leader of the Opposition is not here; he moved the censure motion. Perhaps the Deputy Leader of the Opposition could tell us what social dividend comes out of the State Government Insurance Commission losing \$350m in its third party insurance fund? The people of this State had to pay a \$50 premium for some years to try to get those moneys back, plus we had to pump in another \$80m from consolidated revenue to get rid of that deficit. The social dividend, after we have taken those hard measures, is that we now have the lowest third party insurance rates in Australia and we have a third party insurance fund that is fully funded, instead of a fund that is bankrupt. That is a benefit.

Mr Ripper: It is a fully funded system, but you have cut the benefits to the people who belong to it.

Mr COURT: Is it better to have a scheme that has just blown \$350m and cannot pay its bills? How does the Deputy Leader of the Opposition think I felt when the Chairman and the Chief Executive Officer of the SGIC walked up St Georges Terrace and sat in my office with the Minister for Finance and me and said, "We have run out of assets that we can liquidate to pay our claims"? In my terms, that means it has gone broke; it has been selling liquid assets to pay its claims. The SGIC got into that position because the now Leader of the Opposition refused, on advice, to put up the premiums to try to work back that deficit. That was totally irresponsible. I do not mind members opposite having a go at us for making a few unpleasant decisions with regard to these matters. I do not get any joy from spending hundreds of millions of dollars paying back the former Government's debts; I would rather spend it on schools and hospitals.

Mr Kobelke: We fixed up your dad's pipeline that was sending the State down the tube, and you fixed up a few of our problems. Fair enough!

Mr COURT: I feel at home again! He has been back two days and already the personal abuse is coming through: What about Court Marine; what about this; what about that?

Mr Kobelke: Where is the personal abuse in looking at this State's debt due to the North West Shelf gas project?

The SPEAKER: Order! I have allowed a rather large number of interjections because, by and large, it has been fruitful for the debate, but several members on my right are interjecting at the same time, and that is not acceptable.

Mr COURT: If members opposite were not having a go at Charlie I would feel I was having a bad year.

Mr Kobelke: The Premier cannot address the issues.

Mr COURT: I will address the issues, and I will put a few things on the record. First, I am pleased that some members opposite have agreed with the need for change in commonwealth-state financial arrangements. I am sure that the member for Eyre has similar views to mine, having dealt with a Federal Government of his own persuasion, that a change will not come about until this country has major taxation reforms. We need a Federal Government, regardless of its political persuasion, with the courage to accept that nothing is wrong with the States raising revenues that they need for their expenditure requirements. As long as we are stuck in the current mould, Western Australia will become a bigger and bigger loser. We have become what is called a donor State. Western Australia now

contributes nearly \$1.5b more to the Federal Government in taxes such as company tax and income tax than comes back to the State. Economic growth in Western Australia has been around 5 per cent and 6 per cent per annum, while revenues are growing at less than the consumer price index. The State Government is expected to deliver the infrastructure for a strong, growing, and vibrant economy, without the benefit of the revenue growth that it should have.

Mr Grill: The great beneficiary is Victoria.

Mr COURT: Yes. At the Premiers' Conference last week Tasmania said in a straightforward way that it was in trouble. Its population is declining by 500 people a month. Its economy is fundamentally weak, and it explained that it could not meet its part of agreement that the States entered into last year with the Commonwealth. All of the States accepted that Tasmania could not contribute because it was in trouble. That is how a federation should work. However, some incentives must be in place. A State that is performing well must be able to obtain a share of that growth.

Mr Kobelke: The Premier is right when he says that is one of the issues facing the nation. The Premier's solution is taxation reform. What is the Premier's view on whether we should also look at a redistribution of relative responsibilities between the States and the Commonwealth and to match that more closely to the revenue streams?

Mr COURT: The States have agreed to put together an options paper on taxation reform. There will be no holds barred. It will include options such as the goods and services tax, state income taxes and those issues. We cannot have a debate on tax reform if we do not put forward all the options.

Mr McGowan: Will the wealth tax be in it?

Mr COURT: If the member for Rockingham wants that. The coalition Government has stated that it will not support a wealth tax. I do not think that would get through anywhere in Australia.

Mr McGowan: Is that an option?

Mr COURT: We must put all the options on the table. The Federal Government does not want to hear about it in its first three year term. In the lead-up to 100 years of federation the constitutional talk is about a republic; however, the message from the States is that they are concerned about the financial position in which they find themselves. There is huge duplication of government services. The tendency of the Federal Government of the day is to hang onto its bureaucracy to control those services. The Department of Employment, Education, Training and Youth Affairs employs thousands and thousands of people. Why cannot the Federal Government accept that the States do all the work in delivering most of the services in health, education and the like?

Mr Kobelke: Are you espousing the principle of clearer segregation and delineation in areas of responsibility?

Mr COURT: Yes. When we entered into the federation the Federal Government had clear responsibilities. I prefer the position of the Leader of the National Party on federal-state financial arrangements; that is, that the Premiers and the Chief Ministers should meet to make a decision on how much money they will give the Federal Government every year to run its affairs.

Mr Kobelke: It is hardly the real political world in Australia.

Mr COURT: I know.

Mr Kobelke: The National Party is not very good at facing up to realities.

Mr COURT: However, one must have a preferred position and that is a good one.

Several members interjected.

The SPEAKER: Order!

Mr Thomas interjected.

The SPEAKER: The member for Cockburn will come to order.

Mr COURT: In the past four years commonwealth grants have been cut by \$543m.

Mr Thomas interjected.

The SPEAKER: I formally call the member for Cockburn to order for the first time.

Mr COURT: This year commonwealth grants will decrease by \$208m, plus any additional cuts that come out of it. We do not object to some form of redistribution between the States, because until the 1960s Western Australia was

a mendicant State receiving additional support. However, the Federal Government is not taking into account the need to lift dramatically Western Australia's infrastructure, particularly roads and other areas, to handle that economic growth.

How can the Opposition move a censure motion saying that the coalition Government has not delivered social dividends when it has been in government for only a few months and has not yet brought down its first Budget in this term? The fact that we will bring down a tough Budget does not mean it will not have the priorities right. Even with four years of a tight budgetary situation the Government will ensure that it delivers major benefits to the community. One of the most important benefits that the Government can deliver is to provide employment growth, so that our children have a choice of jobs. In the Eastern States today unemployment is a major concern. Western Australia has been fortunate to have had stronger employment growth than those other States. The only way that Western Australia can maintain that employment growth is to attract strong levels of new investment.

Mr Ripper: Including investment in gas pipelines?

Mr COURT: Does the Deputy Leader of the Opposition want us to be a buyer or a seller?

Mr Ripper: Do you support investment in gas pipelines?

Mr COURT: I certainly do. We are good at building pipelines all over the place, and we will keep building them.

Mr Ripper: Does the Minister for Energy support that?

Mr COURT: Yes, he does. He is a big pipeline builder. He is so competent he puts in his own reticulation!

Mr Barnett: The member should not listen to the media hype. He should be more sophisticated than to follow a public relations campaign.

Mr COURT: To ensure that dividends flow through in the next four years we must have strong levels of investment. We have made a commitment to attract as much new investment as we can in downstream processing in a number of different industries. That is not all that easy in the current climate with some projects; for example, the Ord River project, over which the Minister for Primary Industry and Minister for Resources Development are so frustrated. We want to proceed and complete that scheme. It will be a magnificent program. That is why it is so critical to achieve a workable resolution to the native title issue. People talk only about mining, but it is holding back tourism developments and irrigated horticultural and agricultural development. I am confident, first, that this year we can work through a resolution to native title at the federal level. If we do not, the Federal Government will have a major political problem on its hands. If the Federal Government can put in place workable legislation, Western Australia will move quickly towards a state native title tribunal that will enable us to put in place negotiated deals.

Mr McGinty: We suggested you do that years ago.

Mr COURT: No, my friend. Members opposite wanted to establish a state native title tribunal under the existing legislation. Why do that?

Mr McGinty: You said if there are no significant changes you would set up a state tribunal.

Mr COURT: I said if significant changes were made and the legislation was made workable, the State Government would set up a tribunal.

Mr McGinty: You change your mind every day.

Mr COURT: I am not changing my position at all. It is critical to attracting investment to get workable native title legislation in place. Many small business projects have been stalled for four years. A classic example is the small tourism proposals around Kununurra. People want to set up relatively small hotels, motels, safari camps and the like, and the Government cannot give them suitable sites. Even though this State is facing a tough Budget, I am sure the next four years will be exciting; the State will continue its strong growth, and the benefits growth will flow through, which is in direct contrast to the 10 years of Labor Government which sent this State broke.

**MR BROWN** (Bassendean) [8.41 pm]: At issue in this debate is whether the promises made by the Government, particularly the Premier, prior to the last election will be realised in the forthcoming state Budget and the Budgets after that. It is interesting to recall what the Premier said in the election campaign. He said a social dividend would be delivered to the public of Western Australia. He went further and said it would be awesome. The people of Western Australia were advised that a coalition Government would deliver a social dividend based on its alleged wonderful financial management over the previous four years. The Premier has taken us through a history lesson dealing with the 1980s and early 1990s, for the purpose of trying to indicate what wonderful managers the coalition government members are.

I suggest that when this House is judging Governments by their history, it should consider a longer period; for instance, between 1974 and 1983. What did the coalition Government in this State and nationally deliver to the people in that period? The current Prime Minister was Treasurer during that period. What wonderful things did he achieve during that period? I remind members who cannot recall the achievements of the Prime Minister and coalition Government during that period that it lifted the unemployment rate from 5 per cent to more than 10 per cent. When the coalition Government was kicked out of office in 1983 in Western Australia and nationally, the Prime Minister, the former Treasurer, had done a great job also in increasing the inflation rate to more than 10 per cent. What a master of economic policy! He was in every respect Mr 10 per cent - he was responsible for a 10 per cent unemployment rate and a 10 per cent inflation rate. I do not hear members opposite going back that far and talking about that period too often. I do not hear them talking about gains made in the 1980s in reducing the unemployment rate. When the mob opposite were in power the unemployment rate was ever increasing. When it finally was booted out it left the economy in absolute ruins.

With reference to strength of character, members opposite said the Keating Government was antibusiness. Who introduced for the business sector one of the major things it had wanted for years and years? The current little Prime Minister shied away from tax imputation, which is one of the biggest gains for corporate Australia ever and one of the biggest gains for shareholders. The concern about double taxation in Australia was an inhibitor to investment in this country. Who made that important decision? The mob opposite would have us believe that the antibusiness Labor Government made that decision.

Mr Bloffwitch: Seven years they presided over it until they got rid of that iniquitous double taxation.

Mr BROWN: Rubbish! I suggest the member for Geraldton should read some more history because his timing is way off. I also remember the former Premier in this State who said that people should not worry because his Government would beat unemployment on a State by State basis. Do members recall that untruth told in this place and outside? I remember when he trumpeted those things. The mob opposite must get a few more runs on the board before they can tell us what great economic managers they are. In the nine year period to which I have referred they created massive unemployment and inflation in this country. They created a situation in which many ordinary men and women went through extremely difficult times. That is the record of members opposite.

The Premier referred to the early 1990s when Australia was in a recession. I have not heard anyone say it yet but the implication was that if a coalition Government had been in power there would not have been a recession. Somehow a coalition Government would have avoided a world recession!

Mr Barnett: Your analysis of the period when John Howard was Treasurer was that inflation and unemployment was his fault. You chose to ignore the OPEC oil crisis and the monetary expansion that took place and created world inflation. I copped that. However, then you went to the Keating Government and said the problems that arose were an external factor. Can you be balanced in your argument?

Mr BROWN: I would like to hear balance from the government side of the House.

Mr Barnett: There was more disturbance internationally to the Australian economy in the 1970s and early 1980s than in the 1990s - far more.

Mr BROWN: Be that as it may, we all know that we are not isolated and we are affected by factors outside this State and country. That is very true. In the same way, there has been terrific economic growth in this State and it is not because of some wonderful economic management but because companies and corporations around the world need our mineral resources. Western Australia is a good place for international companies to invest in. It has a stable political climate, a skilled work force and is a good place to live. That is why people invest in this State. The investment intentions, as monitored by the Business Council of Australia in 1992, indicate there is a high and growing level of confidence about investing in Western Australia.

Mr Barnett: Resource investment in this State was as flat as a tack in the early 1990s.

Mr BROWN: Confidence levels returned in 1992, as indicated in the Business Council of Australia surveys in that regard.

I know members opposite try to measure employment growth and claim that the Western Australian Government created 100 000 new jobs, as though economic policy changed on the Monday after an election. All members know that although a Government can set policy directions, in many instance jobs growth is a matter of overseas capital being attracted to Australia, or to Western Australia in particular with its mineral resources, or it is - as the Premier and the Deputy Premier know from attending export awards - the enthusiasm of entrepreneurs in this State who make their businesses grow. It has nothing to do with the Government.

I have seen award after award presented to people who started off a little business by seeing a niche in the market. They have not asked for help from the Government. They have achieved growth not because of a new government wonder tax or a government policy, but because of their entrepreneurial skill. In the year I attended the awards, Aussie Lobsters Pty Ltd won an award for dramatic business growth.

Mr Board: The member would agree that business growth is about environment. Businesses have an environment in which they are stimulated to grow, or in which they feel their growth will be retarded by government policy - Governments get in the way. There is a fair bit to do with government creating the environment in which business has the courage to expand, develop and employ people. That is what Governments do. They create the environment in which people get on with what they do.

Mr BROWN: I accept that to be true to a certain extent, not the whole extent. It is fallacious to argue that the Government created 100 000 jobs as claimed in an advertisement during the election campaign.

Mr Barnett: Had you been in government, you would never have claimed that, would you? You would have said, "There have been 100 000 jobs out there, but we take no credit as we have done nothing."

Mr BROWN: I would not have claimed to have created them, as the Government claimed in the advertisement. It was very mischievous for the Government also to claim that it had lowered its debt.

Mr Barnett: We had.

Mr BROWN: The Leader of the House knows how a company balance sheet operates. It considers the total debt and the total worth of the company. It does not look at only loans, as it looks at loans and outstandings on one side, and the asset base on the other side. It then does a calculation on its net worth. The Leader of the House knows that.

The Government pretends that it has no assets, and worse than that it pretends that when it sells an asset and pays off a loan, suddenly it makes a difference on one side of the ledger only. We had advertisements during the election campaign saying that the Government had reduced debt by \$1.7b. However, the Government did not say that it sold BankWest for \$900m, received \$200m compensation from the Federal Government, which makes \$1.1b, and sold the government car fleet for \$100 000 along with various other assets. I tried to obtain a list of those sold assets in this House to determine where the money went.

Mr Board: A lot of it is retiring debt.

Mr BROWN: I understand that. The Leader of the House understands -

Mr Barnett: Nobody understands your speech yet; we are trying to understand it.

Mr BROWN: I will go over it slowly for the Leader of the House and bring in a balance sheet so the he can understand the matter. The Government, obviously for political purposes, did not worry about conveying the truth of the matter. It ignored the asset base. It sold assets and claimed it reduced debt while ignoring the reduction in our asset base. If corporate Australia produced such a balance sheet at a meeting of shareholders, it would be laughed at - they would throw out the accountant as incompetent.

In the political world where one has 30 seconds to advertise and one need not produce the whole balance sheet, it is easy to get away with such a tactic.

Mr Board: What about interest on debt? The State forked out hundreds of millions of dollars each year on sheer debt.

Mr BROWN: We have sold BankWest, and I will be interested to see the returns of that bank over the next four or five years to see the revenue base we would have secured if not for the sale. It is the same situation as the Federal Government selling one-third of Telstra, an organisation which makes \$2.2b profit a year.

Mr Barnett: Do you know the constraints which were placed on BankWest as a regional bank? It was a good bank with a good market share, but the constraint applied to the best financial opportunities in WA, which are in the resources sector. As a stand-alone regional bank, it could not fund the loans required in that sector. Having the Bank of Scotland involved, it can join the big end of the market. Its results will show substantial improvement which would never have been possible while it was government-owned. That is the fundamental difference. I hope BankWest results will improve dramatically. It will; it has a heavy bank behind it now. It was a great asset, but it needed to be let free to prosper and that is happening.

Mr BROWN: I will be interested to see those results.

Mr Barnett: They will be great results.

Mr BROWN: Selling an asset is like selling anything else: Once it is sold, it is gone and will never be replaced.

Mr Barnett: What about creating new assets? Governments are not a static thing as it is a matter of selling some assets and creating new ones. Some members opposite are going ballistic because we are probably about to sponsor a new port facility. Governments cannot stand still. One disposes of assets once they are developed, then one creates new ones.

Mr BROWN: I do not have a problem about investment in proper infrastructure. However, will the Government fund that port out of consolidated revenue or will it borrow?

Mr Barnett: Neither.

Mr BROWN: How will the Leader of the House fund it?

Mr Barnett: It will be a private port under a Government mandate.

Mr BROWN: That is the hope.

Mr Barnett: That will be the reality.

Mr BROWN: I do not have any guarantee that the support applies to the facility at the moment. Maybe the Leader of the House will tell us that in another debate.

Undoubtedly, ordinary Western Australians have suffered a great deal of pain in the last four years. I remind the House of some those matters, which are seen in my electorate office every day where constituents refer to that pain.

Today, one pays for every drop of water used as one does not receive an allowance. For large and low income families, that has been a significant imposition. A 4¢ fuel levy applies today which has been a significant imposition for low income families and in the last four years we have seen a 35 per cent increase in public transport fares. Also, we have seen a fixed charge for AlintaGas users, and although the Leader of the House claims that a gas user can have a number of appliances operating for a fixed charge, and the reduction in gas tariffs balances out, many people, especially pensioners, have one or two appliances which impose an additional cost.

Mr Bloffwitch: One or two appliances would not cost more because the fees would be under the minimum level. Perhaps if a person ignores a house for 12 months, because they are rich enough to own it, they will pay the penalty. Let's be fair.

Mr BROWN: The member for Geraldton can say that. However, my constituents have told me that and they have done the calculations. Technical and further education charges have moved significantly. Those are the additional costs that people in my electorate talk to me about all the time.

What has happened at the other end with income? There have been changes to the workers' compensation system. This week I received an answer to a question I asked of the Minister for Labour Relations, which indicated that approximately \$18m was pulled out of the workers' compensation system. That amount would have been paid to injured employees. I know of injured people who are unable to be compensated at common law because they were under the threshold. They have not been compensated because at the time they were on a particularly low income. Their families' circumstances have changed and they would now ordinarily have returned to work. However, they are unable to work because they were damaged by the accident and will not be compensated for the injuries they sustained.

Under the Workplace Agreements Act many people in my electorate who work as cleaners and gardeners and in the service areas were paid award rates of pay. They are now paid the minimum wage under a workplace agreement. Their wages have gone down and their work has increased. Their positions in the workforce have become far more insecure. In this period of so-called economic growth there have been increases in demands for help from organisations in the non-government sector. Anglicare has reported that last year there was a 30 to 40 per cent increase in the number of people seeking assistance from it. People go to Anglicare and other non-government organisations as a last resort. The Salvation Army in my electorate has had an equal increase in demand for its services by people who are in difficult circumstances. They are not the same people who normally use the facilities offered by the Salvation Army. It has reported that 40 per cent of people seeking assistance are new clients. There have been cuts in funding for people who are in dire circumstances.

In the 1992-93 Labor Government Budget, the amount allocated for families and individuals in dire need was \$5.1m. That funding has been reduced to the point where, in the last Budget of this Government, it totalled \$2.6m, or half the amount allocated by the former Labor Government. There have been funding cuts to a number of social welfare organisations that provide important community services.

When we reflect on those issues we can understand why people in our community want to trust the Premier's promise about a social dividend. They have had to bear many of the hardships and difficulties that have been caused by either legislative changes or by increased taxes and charges in the past four years. Their position is not getting any easier. I am made aware of that by the number of people who approach me when I go to the shopping centre and who come to my office to speak to me confidentially. People are not proud of having to struggle. They do not talk publicly about it. They do not have a great deal of pride in not being able to make ends meet, in having to skimp and save, or in not being able to give to their children the ordinary things that people like to give them. People do not talk about that openly and they do not talk about getting help openly either. Poverty exists and it is crushing. For many people in our community it is affecting them and their families daily.

We have seen what some of the cutbacks in other areas have meant. There were harsh cutbacks to health services 18 months ago. Members on this side of the House criticised those cuts as being too severe. They said that hospitals would not be able to manage and would not get through the year. The Government denied that that was the case until in February or March last year the Government provided a rescue package of \$81m. Everyone knew that the cuts to hospital budgets had been too deep.

Additionally a number of decisions have been made by the federal coalition Government that will make life even more difficult. Cuts have been made to legal aid. Many people who are in difficult circumstances, particularly women involved in domestic violence situations and other people, will no longer be able to get legal aid. There have also been cuts to funds for public housing. It is interesting to compare the statement by the current Minister for Housing with the letter that the former Minister for Housing sent to Homeswest residents during the last election campaign. There have also been cuts to dental and disability services by the federal coalition Government and very significant cuts to labour market programs.

The people on the ground are looking forward to the Premier's social dividend. They think things will get better and their lifestyles will improve. If the social dividend is not delivered and disappears in what the Premier is flagging as a tough Budget, many people in the community will feel betrayed. Many of those on the lowest incomes and those who have struggled and are now doing it tougher today than they have ever done before will stay in that situation. I am concerned about that. The community will be very angry if the social dividend promised by the Premier does not materialise when the Budget is handed down in a month or so.

**MRS PARKER** (Ballajura - Minister for Family and Children's Services) [9.08 pm]: I oppose this extraordinary motion. The motion criticises the Premier's promise of a social dividend. If it criticised the failure of the Government to deliver a social dividend after time had expired since the last election and a Budget in government, we would take it more seriously.

I am grateful to the Opposition for this motion. It gives me the opportunity to talk about some of the things that are happening as a result of the social dividend. In that sense I speak as Minister for Family and Children's Services. I will also raise a number of issues relating to Seniors and Women's Interests, other areas of concern to me.

I have listened to this debate and have found that very few speakers have referred to the social dividend. A lot of hard economic data and mumbo jumbo has been presented, but we should talk about what a social dividend means and how we can measure it. Everyone in this Chamber tonight would agree that if we are to measure a social dividend, a social benefit, and a strong and well developed community, we would measure them by the strength of the family.

This Government accepts, acknowledges and affirms that the family is the cornerstone of our society. It is one of the yardsticks for measuring the quality of life. As a Government we plan to deliver one of the best qualities of life in the world by the turn of the century, not the highest standard of living but the best quality of life. If we intend to do that, we must ensure that as a Government we have programs and policies driven by sound principles that support and strengthen the family unit. With our family and children's services policy, this Government is committed to enhancing the status of the family. Everyone is interested in export data figures and the gross domestic product. All those things are interesting, but when we talk about the fundamentals and yardsticks for measuring the quality of life, one must return to the family. As a Government, we are committed to enhancing the status of the family.

Mr McGinty: Go beyond the platitudes and tell us what you have done.

Mrs PARKER: Be patient!

Mr McGinty: Have you done anything since you became a Minister? No!

Mrs PARKER: I visited the member for Fremantle's electorate recently. He should have stayed around to see the anticipation of his constituents about a program we have put in place in that electorate for their benefit. I trust that the member will support the program so that families do not feel isolated.



Mr McGinty: Is that the best you can come up with as to what you have done as a Minister?

Mrs PARKER: The member's constituents must wonder whether he values that service, which could be critical to them when experiencing times of pressure. They would not appreciate their member's arrogance.

It is important for the Government to spend money on strengthening the family unit. We would never move away from our statutory obligation to provide protection for children at risk. We also want to make sure we can support families' moving away from dependence towards independence.

Recently Family and Children's Services received a national award from the Prime Minister. This was the inaugural award for public sector innovation. Family and Children's Services was awarded first prize in that category for its New Directions in Child Protection and Family Support program. One might like to challenge my statements about how confident I am about the programs operated by the department, but one would need to be careful about challenging the presentation of an award when judges on the panel included representatives of the Australian Institute of Management and the Australian Quality Council.

New Directions in Child Protection and Family Support is a program that is indicative of the approach we take to strengthening families. The first aspect of that approach is to provide the world's best practice in child protection. Currently, much debate is taking place in the community on this subject, and that will continue to be the case as the community addresses the issue of child abuse. The issue is debated in the Press today, it was yesterday, and will continue to be debated because it is not very long since the community acknowledged that child abuse is a problem and we must now have the courage to debate it and respond to it.

The first principle in the New Directions program is the protection of our children. Maltreatment of children can appear in a number of forms. It can be neglect, or physical, sexual, or emotional abuse. Children at risk of harm must be protected, and in this program we make sure when allegations of abuse are made that a comprehensive and professional assessment of the allegations occur. Where it is deemed that children are at risk the department takes a very comprehensive approach to respond to that risk and to protect the child.

It is also important to note that a number of reports about children at risk do not relate to actual abuse. It might be a dysfunctional family, poor parenting skills, or people not being able to cope or meet the demands of their responsibility. In this place we must accept and acknowledge that being a mum or dad is a tough task. It is one of the most difficult and important things we will ever do in our lives and we receive the least training for it. When parents come under pressure and their behaviour reaches a point where it steps over the line of simply poor parenting, and perhaps approaches at-risk parenting behaviour, the department has a series of programs where instead of waiting for the family to reach a crisis situation, it can deliver support services and help the family stay together. We have a range of those programs, which I will explain in a moment.

Families are important. Where children are at risk we will continue to raise the standard of our response to deliver the best care and protection. When children are in families under pressure we will provide support services. We are also looking for additional support for foster carers. The Foster Care Association and foster carers are wonderful people who are prepared to reach out and care for children whose parents are unable to do so at the moment. It is important when talking about providing the best protection for children that people such as foster carers are supported and encouraged to deliver that special service to the children and to the community.

The second partner in principle of New Directions is family support. In 1993 when we inherited government, not one dollar was allocated for proactive, early intervention support services in the department. The great bulk of the budget allocation was for crisis driven, welfare responses. I have already said that we are committed to the best response to protect children at risk, but if we believe families and children are important and are a priority, we must have the political will to spend some money, to be proactive and to strengthen those families, and in that way enhance their status in the community. Early intervention is crucial.

I am delighted tonight to report that around the State and in the metropolitan area we have a great range of programs which are delivering a social benefit in this State. It has been my commitment to get out into the regions. Mr Acting Speaker (Mr Osborne), I apologise for not getting down to your neck of the woods. However, that will happen shortly. I have been to the south, the north, and inland. I have been involved to make sure I have made contact not only with the community but also with the professionals in the department who deliver that care, to make sure I know what they are saying, to look at the services we are delivering, and to make sure we are meeting the mark.

One of the most interesting and important developments has been the introduction of parent information centres, a number of which have been placed around the metropolitan area. We have located the centres in shopfront locations for easy access, and around the State in regional centres. To indicate the extent of our commitment we have made sure that two of the parent information centres are mobile. One is operating out of Northam and another out of Albany.

We have been very impressed and pleased with the response we have had to these parent information centres. These are not just for dysfunctional families, but acknowledge that parenting is a tough job, and that if we are to deliver a social dividend to the families of this State, and hence to the communities, we must provide resources to support those families. We have had a great response from the community in accessing these centres, and seeking out information. Our research indicates that parents are very committed to their task, but felt under-prepared for it and not quite sure where they could go to for help if their families were not close by or they did not have an extended family network. The parent information centres are a clear example of a program designed to deliver a social benefit.

Associated with those centres is the parent link home visiting service. We acknowledge that families come under pressure and need support; therefore, we have a program where trained helpers can go into the home and provide support to parents, and give some very simple information, some suggestions and some encouragement to help them deal with their family problems and the difficulties of parenting.

I have concern for the number of Aboriginal families who access the department for support, and I am committed to responding to that with programs. One of the important programs that has been developed, which I discussed with the community when I visited Port Hedland, is the Best Start program. If we are talking about a social benefit, we must ensure people are taken out of the poverty cycle and the failure cycle and not marginalised. The Best Start program was worked out in partnership with the Aboriginal community members and addressed what they want for the support of their pre-school children. In Port Hedland two programs are being implemented, one of which is about to start and the other will start shortly.

I visited one of the communities in Port Hedland and felt honoured to be in the company of such an enthusiastic group. Of course the children were delightful. The enthusiasm of the parents, particularly the mothers who were there - the fathers were also involved; they helped with the building construction and other aspects of the work - demonstrated that they are very committed to the program. They told me that this was one of the few times a government had come and asked them what they wanted for their children, saying that it would develop a program together and provide the support. It was not handed to them from St George's Terrace or, even worse, from Canberra with their being told, "This is what is good for you."

We have taken a committed road to support the communities in that area by doing all we can to make sure that, as their young children enter into the school process, they are ready to succeed. We trust we will see from that program a break in the cycle in which children, whether they are from the Aboriginal population or any other population, are unprepared or are disadvantaged by the preparation of schooling that leads to early failure. We are committed to assisting to break that cycle. The parent information centres are a very significant part of the program.

We have introduced the family group conferencing scheme and have had a community education program using the slogan "Parenting is Forever". It stated that parenting is an important job and one must respond to it, and it set out the services that are available. We tried to raise the status of parenting. How easy it is for us to get caught up in the activities of our career, profession or other community interests, and fail to place priority on our responsibilities to care for and nurture our children. As a Government we are prepared to raise the profile of the family and deliver support services to ensure we have strong family units.

We are also researching the problems faced by children in families affected by marriage breakdowns and hope to develop program initiatives in response to that information. That research has not been completed, but we are committed to such a program and I am very confident that during our term in government we will do so. Families are to be highly valued and our Government will be judged according to how it values families and, more particularly, children in our community. If we are to talk about the delivery of social benefits to the community, we must hear some talk about the children. It has been interesting that tonight there has been an almost total neglect of that aspect by the Opposition in this censure motion.

It is also important to make sure there is a strong link between the Government and community based organisations. Many wonderful organisations exist in the community and the Government has acknowledged that they are well prepared to be in close contact and responsive because they are part of their communities. They know the needs of their communities and are able to deliver programs that are well targeted. For that reason, 40 per cent of our budget covering the delivery of services to the community has been allocated to non-government organisations to strengthen the work of the community, not to squeeze those groups out and make it difficult for them to survive, but to fund them, not as organisations but according to outcomes. We have made sure responsible arrangements are in place so that there is a high accountability for the funding and a very efficient delivery of programs. Those programs are not always owned by Governments. It is important to support the communities, to strengthen communities and families.

I could go on about my responsibilities as Minister for Family and Children's Services. The New Directions program relating to child protection and family support is indicative of this Government's commitment. As I said, when we came into government not a dollar was allocated for proactive, early intervention support programs. At present we

are spending \$6m a year on those programs. Our budget has increased by 30 per cent over the past four years, by comparison with the department's budget under the previous Labor Government, and that speaks for itself.

If we are to talk about the social dividend, we must provide security in our families. One of the real challenges to family security is the incidence of domestic violence. I have spoken about child abuse and the tragedy its presence represents in our community. I do not think any members in this Chamber, particularly female members, will have any argument with me about an adequate and comprehensive response to domestic violence being absolutely critical when we talk about delivering a social benefit.

Last week I was interstate at a ministerial council meeting attended by Ministers for Women's Interests from all of the States and Territories and the Federal Government. One of the main items of discussion for the day was domestic violence and the response of each jurisdiction to it. I am pleased the member for Swan Hills is in the Chamber because during our previous term of government she was critically involved in the domestic violence task force and the development of a response plan. I have not mentioned this to her, but all of the Ministers discussed the response of their State and Territory to domestic violence. After the debate, when talking about a response for the nation on this issue, the federal Minister said that she would like to see Western Australia's response and plan for domestic violence taken as a model for the rest of the country. That is a feather in the cap of the member for Swan Hills because she was involved in its development.

Western Australia funded 16 regions to develop a plan at community level. In December last year those communities submitted a plan in which, after consultation with the people, they prioritised their most important needs and analysed what was needed to help the community deal with the problem of domestic violence. Those plans have been submitted and assessed by the domestic violence prevention unit.

As a result of that I recently took an integrated resource plan to the Justice Coordinating Council, which adopted that plan. For the first time across government agencies and departments we have a coordinated, integrated plan for responding to domestic violence. It includes Homeswest, Police, Health, Family and Children's Services and Justice - a broad range of departments. Their allocation for domestic violence will be spent in accordance with that coordinated plan. It has been acknowledged by the federal Minister as an ideal plan to be copied around the nation.

Ms Anwyl: Are you saying that plan is complete?

Mrs PARKER: The integrated resource plan was adopted by the Justice Coordinating Council, I think, two weeks ago.

Ms Anwyl: It is not available in the regions.

Mrs PARKER: The assessment process has not been completed. The regions submitted their plans to the domestic violence prevention unit and their priorities are all being assessed. Those communities knew that their entire wish-list would not be funded. However, they were asked to set priorities which will be examined to determine from where expenditure will come. The Government has committed \$7m to respond to domestic violence. In due course the plans will go back to the communities. They were always aware that funding would be made on the basis of their priorities.

In meeting social dividends we have a domestic violence plan acknowledged as a model by a federal Minister. It is not only a good model but also it is funded according to budget estimates.

In closing I refer to seniors, who present a daunting challenge to Governments around this country and the world. The demographic changes in the seniors population in this State will be the most significant population change to take place in the next 25 years. Fourteen per cent of our population are now seniors. By 2020 the number of seniors in our community will have increased by 148 per cent and will represent approximately 22 per cent of the population. That is a staggering change and the Government must have a strategy to deal with it. Members must realise that by 2020 most of us will be in that category. It will be the baby-boomers arriving as seniors. Not only will there be a greater proportion of seniors but also those seniors will have far different expectations from life than seniors of 20 years ago. The Government must be prepared. If any Government is to deliver to seniors a healthy lifestyle and environment, a sense of security, make available appropriate housing and, significantly, choice, dignity and freedom, it must have a strategy.

Western Australia is the first State in the country to adopt a policy on healthy ageing. That policy has now been adopted around the country. There is a national, healthy ageing task force which, although it is national, Western Australia has been asked to chair and manage. We are being recognised around the country as leaders in the way we respond to the needs of our seniors and as having the political will and foresight to accept challenges. However, the challenge of dealing with our ageing population has not even begun to manifest. I am delighted that you, Mr Acting Speaker (Mr Osborne), have agreed to chair the seniors ministerial advisory council to oversee a seniors program.

We are committed to a social dividend for our seniors and in the context of your work, Mr Acting Speaker, to broad community consultation on healthy ageing and developing a five year plan. The draft report will be presented shortly. At the end of the consultation process you, Mr Acting Speaker, will present to me as Minister a response and from that we will develop that five year plan.

As I said before, society, the community and the Government will be judged on how they value their children and their seniors. We cannot deliver good programs resulting in a social dividend unless we have sound financial management. In its last term the Government went through the pain of adjusting the State's finances so that we now enjoy far better financial management. I am confident, particularly as Minister for these areas of human services, that in the term of this Government the programs I have outlined will become reality. We will see families supported, the world's best in child protection services and a domestic violence plan involving 16 regions throughout the city and the State delivered to support women who are living through that trauma and pressure in their relationships.

We will also see plans for seniors in this State which take account of not only their current needs but also their increasing numbers and expectations. We will see a Government committed to looking beyond this century into the next and acknowledging the demographic changes and it will be prepared.

This is one of the worst censure motions from the Opposition I have ever seen. It does not make sense. I do not think there is any problem in a Premier or a Government promising a social dividend as it goes into an election campaign. In fact, in line with the way the people of Western Australia faced the challenge of assessing the election campaign, I found that the people in my electorate critically analysed the parties before they went to the polls. This Government has shown sound financial management. In this term it will add to that the delivery of social benefits to all members of the community particularly children, seniors, women and women at risk. We will ensure they share the benefit of good government. As Minister, I am pleased to watch over a budget and services to see that that happens. I oppose this motion.

**MR McGINTY** (Fremantle) [9.38 pm]: I have listened with some interest to the last two speakers from the Government. They have argued against the case advanced by the Opposition in this censure motion on the Premier today. The last speaker, the Minister for Family and Children's Services, made a speech of pious platitudes.

Mrs Parker: They are already happening on the ground.

Mr McGINTY: I asked her to refer to one concrete outcome in which she has been involved and she said she came to my electorate to open something. She will be opening things every second day of the week as a Minister, as does any Minister. If she regards that as her great achievement, she has an awful lot to learn.

Mrs Parker: Have you got a problem with programs being delivered?

Mr McGINTY: Departments get Ministers to places in order to give an appropriate speech and move on. The Minister was not able to name a specific thing she had done since the election when she became a Minister that has delivered to Western Australia a social dividend. She gave us a nice "Yes Minister" speech; a description of what her department told her to say today. However, she has not been able to move beyond those platitudes about promoting the family unit and doing all those sorts of things. She was not able to put anything specific to us. The Minister's inability to articulate one thing she has done to deliver a social dividend exemplifies the difficulties this Government has with what the Premier promised during the election campaign.

What was the Premier's description of "social dividend"? I made a note while he was talking. It was interesting. The social dividend as defined by the Premier today is about investment, jobs and native title - the Premier's trilogy. Where is the commitment of funds to health, education and community development programs? They have evaporated now the election is over. During the election campaign we saw one of the greatest confidence tricks played on the public of Western Australia in recent times. Members opposite sat in the back rooms of the Liberal Party and said they knew that the public by and large thought they were sound economic managers. That was fine; they had that one in the bag. However, they also knew that on social policy they were a disaster. Whether it be in health care, education, the environment, or the areas for which the Minister for Family and Children's Services is now responsible, in surveys that were conducted around Australia on the delivery of social policy, Western Australia always came last.

The bright boys of the Liberal Party put together a proposition, which was to talk about a social dividend that would see money put back into human services. That is the human face of a Government. The Government sold this proposition to the public as a whole, but where is it now? We hear the Premier articulating it as more investment. That is one of the key elements of the social policy he talks about. We hear him talking about native title. He is like a broken record on that. What does that have to do with social policy in Western Australia? The Premier has blinkers on. He cannot see beyond the basis on which he conducted government in his first term. Social policy has obviously now been jettisoned.

In case there is any doubt, let me be specific about an area in which the public in this State knows it has been betrayed in the delivery of the social dividend. I refer specifically to health. This is the eighth day the Parliament has sat this year to deal with the business of the Parliament. I will detail eight matters of controversy that have been raised in this Parliament over those eight days on which the Government has betrayed the public on the so-called social dividend.

Let us start with those great women in the Stillbirth and Neonatal Death Support Group, each of whom has suffered a serious bereavement in her family; she has lost a child. They have done a tremendous job. They went to the Minister for Health before the election when everyone on the government side was saying that a big social dividend would come after the election because the State had had years of austerity and toughness. What did the Minister say to those people before the election? His people said they would all be okay. They said the funding would be granted to the group and that the group should just wait because that money would be part of the social dividend that would be delivered.

The Opposition has named in this place the departmental officers who gave that information to the women from SANDS. The women relied on that information and thought things were fine. Their organisation does invaluable work for people who are grieving through the loss of a child. The officers said they thought those people would be given a relatively modest amount. The figure was in the order of \$100 000 a year. Out of the \$1.7b spent each year in the Health portfolio it would not break the bank. The Minister says after the election that the Government cannot afford that. So much for the social dividend to those women who were promised the money before the election. They were performing an invaluable service, but it has been taken away from them. If that is an illustration of the social dividend, I do not want to know it.

Let us move on from the grieving mothers who have lost their children to those who have the misfortune of suffering a mental illness. Where is the social dividend for the people from Whatley House who this weekend will see close their lifebelt that sustains them through periods of depression and the relapse of their illness? Confronted with the reality of that occurring, what do we hear from the Premier's accomplice in this great fraud and deception of the public? The Minister for Health said that the landlord advised the Government that the lease had expired and that the Government would move the service to other premises and have it upgraded. The Minister was not telling the truth in this place.

I had a telephone call that night from the Society of St Vincent de Paul which owns Whatley House and which leases it to the Government to provide a mental health service for the people. I was told that the society did not want to terminate the lease. The Government of Western Australia, the people now responsible for providing the social dividend, approached the society a year ago and said that it wanted to get out of Whatley House and it did not want to renew the lease. It told the society to give some thought to what it would do when the lease expired. The people of St Vincent de Paul, being the good people they are, put together a plan to provide a mental health service for their own clients who were Aboriginal people. The Minister had the audacity to pretend in this place that the Society of St Vincent de Paul was kicking Whatley House out of those premises. That was a great deception. That was revealed when the society telephoned me to say that what had been reported was simply not true: The Government did not want to continue the service there.

The Minister was caught out in respect of the lease. He was then forced to backtrack rapidly. He has now sent his departmental officers to renegotiate with the Society of St Vincent de Paul to say that the Government did not mean what it said a year ago when it wanted the lease brought to an end. It now wants to renegotiate to keep Whatley House open. That is a betrayal of the 70 mental health patients who need that service at Whatley House, which has been shut down by the specific action of the Minister for Health since the election. If that is the delivery of a social dividend to those 70 people who desperately need assistance from this Government, I do not want to know the Government's social dividend.

At the height of the media furore over the disappearance of the third woman from the Claremont area the Minister came into this place and said callously that the Government had cut from the dental scheme 40 000 low income senior citizens to whom treatment was previously provided free of charge. They will have to put up with rotten teeth. Let us compare that with the pious platitudes of the Minister for Family and Children's Services who only five minutes ago in this place said that a Government would be judged by the way it cares for its senior citizens and its young people. As their teeth rot in their heads today the Minister can tell the 40 000 senior citizens in Western Australia who are low income earners and who desperately need that dental care that they are getting a social dividend. No social dividend is being applied to those 40 000 senior citizens. I am prepared to apply the Minister for Family and Children's Services' criteria of judging the Government by the way it treats its citizens. The Government has treated those people abysmally. That will come back to haunt the Government and it will pay a price for that.

The fourth area that has been raised in the eight days this Parliament has sat is hospital funding. The Premier's accomplice in this denial of the social dividend in the health area, the Minister for Health, was asked about funding

for the Bunbury Regional Hospital. You, Mr Acting Speaker (Mr Osborne), would know only too well what has gone on there. Only last week the Minister was asked in this place about the extent of overspending at the Bunbury Regional Hospital. The Minister for Health said in his reply to that question -

There are concerns at Bunbury Regional Hospital, as there are at many other hospitals . . . Recently various figures have been bandied around in respect of Bunbury Regional Hospital. The most recent figure which comes to my mind, arising out of discussions with the Commissioner for Health, is in the vicinity of \$400 000.

Further on he said -

The health system is doing everything it possibly can to ensure that if additional money is found, it will be equitably shared around the hospitals and Bunbury Regional Hospital will get its share.

That was not true. The Minister got it completely wrong. He did not come back into this House and say, "I'm sorry, I got it wrong." He trotted up to the journalists from *The West Australian* immediately after question time and said, "Ignore what I just said in the Parliament. I have already paid \$2m to bail out Bunbury Regional Hospital. I did that in the first few months of this year." The Minister has a responsibility to be honest in this Parliament when he accounts for issues like this. Is it right that he does not tell the truth in this place and does not bother to set the record straight? The Minister has been caught out telling an untruth and all I ask members to do is compare page 500 of *Hansard* with what was said in *The West Australian* and they will find two completely different stories.

When the Minister for Health was asked the follow-up question, "What is the story with other hospitals?" his answer was, "I don't think there is any problem." I ask members to compare that answer with the story in this morning's *The West Australian* which states that all the senior people in the health system are reporting that their budgets are in as dire a position this year as they were 12 months ago when the Government had to provide \$81m to bail out the hospitals. The Leader of the National Party is now in the Chamber and I advise him that country hospitals benefited from that bail out. Again, this Government has shown a callous disregard for the fact that hospitals do not have enough money to meet their needs. When the Minister is questioned on this issue, the truth goes out the window. There is no clearer demonstration than the difference between \$400 000, which the Minister is thinking of paying to Bunbury Regional Hospital, and the report in *The West Australian* that he has already paid \$2m to bail out that hospital. It is not good enough for the Minister to show that callous disregard because people in the community are very concerned that the hospitals will not be able to deliver a basic level of health care, let alone the great social dividend which was promised by the Premier in the election campaign.

I come now to the question of aged care. Today, the Minister for Health said blithely in this place that he is unaware that a proposition is being considered to start charging tens of thousands, if not hundreds of thousands, of Western Australia's low income senior citizens for community nursing and care and for programs which are designed to keep people in their homes and out of hospitals. The Minister's department has been writing to every one of the 300 or more home and community care funded organisations in Western Australia pointing out that the Minister must make a decision on this question and he wants information from them to assist him to make that decision. The Minister is feigning ignorance and a lack of knowledge. He knows only too well what is going on. He does not want to be held accountable for the decision he will make which will impose another economic burden on tens of thousands, if not hundreds of thousands of people in this State by charging them for the basic necessities of life which in the past they have enjoyed through organisations like the Silver Chain Nursing Association (Inc) and others. If that is a social dividend, the Government can keep it.

I have referred to the five issues which occupied the time of this House for the first five days of this session of Parliament. Where was the Government's compassion, concern and resources to assist those heroin addicts who are dying on our streets? The Government did not take the view that it must extend the methadone program into the prisons. It did not consider a range of ideas which would keep alive Western Australians who have the misfortune of suffering a fatal addiction. There was nothing but callous contempt from members opposite and not one initiative came from the Minister for Health.

What about the 2 700 people who had the misfortune of being exposed to asbestos fibres in Wittenoom? The Minister shut down that program. It was the very program which gave many of the asbestos victims from Wittenoom, the Port of Fremantle and others, who through their occupation were exposed to asbestos fibres, some hope that their lives would continue. These people have been given a social dividend that is likely to amount to a death sentence. I expect members opposite to equate a social dividend with a death sentence, but it is not the kind of social dividend I want.

The eighth issue which has been raised in the eight days this Parliament has been sitting is the question of hepatitis C. It has been made abundantly clear that this Government has a moral responsibility and a legal liability to look

after the needs of those people in Western Australia who, through no fault of their own, but arguably through the negligence of health authorities in this State, contracted hepatitis C, which is a life-threatening and debilitating disease. The Minister has not accepted responsibility via a social dividend. I might add that some people have already died from hepatitis C which they contracted through medical negligence. There has not been one word from the Minister for Health about how he will help the people who are suffering from that disease.

If members add up the SANDS, Whatley House, the hospital funding, the aged services, heroin addiction the methadone program in prisons, the vitamin A program and the hepatitis C issues they will find there are eight issues, one for every day this Parliament has sat this session. The people involved in these issues have been betrayed because they have not been given a social dividend which the Premier fraudulently promised during the state election campaign.

**MR BARNETT** (Cottesloe - Leader of the House) [9.56 pm]: As the Premier indicated, the wording of this motion is extraordinary. It states that this House should censure the Premier for misleading the public during the election campaign with the promise of a social dividend. As the Premier pointed out, we are in the first few months of a new Government and it is ludicrous that anyone can make a judgment or even dare to take a vote on this issue in this Parliament. It is reasonable to say that Governments of Liberal and National Party persuasion tend to focus more on economic objectives. They are probably seen by the community as having a higher profile and standard of performance on economic objectives than Labor Governments. It is no coincidence that in its first term in office, this Government concentrated on economic objectives. The Premier made it very clear during the election campaign that in the second term of government this Government would give far more attention to social objectives.

In reflecting on the election campaign, much of the debate did focus on this Government's economic record. It is a good record. A year or so before the 1993 election the coalition was looking at the state debt issue and its objective was to stabilise debt in its first term and start to reduce it in its second term. The fact the Government actually reduced state debt in its first term is a significant achievement. Similarly, the growth in employment has been very strong. The growth in investment, particularly in the resource industry, has also been strong. The economic record of this Government is literally outstanding.

Having said that the Government's focus was on economic rather than social objectives, it would be wrong for this Parliament not to recognise the achievements of this Government in the social area. While I concede that legislation is not necessarily a perfect indicator of achievement, it reflects the priorities and the recognition a Government gives.

During this debate I have thought of some of the things that have happened since the coalition has been in government. Its legislative record, if compared with the record of the previous Government, indicates a stark comparison not only in the economic area, but also in the social area. In its first term of office the coalition passed the much needed adoption, mental health and censorship legislation. In the education area it introduced a major and comprehensive early childhood program. The Government currently has a number of projects under way around the State that will see massive expansion in health care services in Bunbury, the northern suburbs, Mandurah and, presumably in due course, the south east corridor.

This Government has also taken on serious environmental issues. Much has been said about the environment, but during its first term, this Government took on the serious issue of the lack of deep sewerage in much of Perth and the regional centres and addressed salinity in rural areas, which is a major environmental issue. These are serious concerns; they may not be trendy or attract media attention, but they are important environmental issues. Today, the Minister for the Environment announced legislation relating to marine reserves. This will probably be the most serious environmental and management issue facing this State in the next century as we start to recognise that our offshore resources are as important as those onshore and that protecting and preserving that environment is vital.

Yes, this Government will give greater attention to social issues. It has done well in relation to economic objectives and social issues. I am incredibly proud to be a member of this Government. The Premier has done an outstanding job; he has provided strong leadership to this State and the coalition has delivered more than it believed it would in economic terms. The Government has already passed and put in place major social reform and structural reorganisation within government, and it has stimulated a surge in economic activity.

Members on this side of the House recognise that there are many problems in the community. A 1990s society is very complicated and there are serious problems to tackle. However, the Government is prepared to tackle them and it will succeed in its social agenda just as it has in its economic agenda.

This motion is wrong and premature. It is appropriate that the Opposition challenge the Government on its social record. However, to do it at the beginning of the third week of this Parliament is sheer nonsense.

The ACTING SPEAKER (Mr Osborne): The question is that the motion be agreed to. Those of that opinion say "Aye".

Mr Ripper: Aye!

The ACTING SPEAKER: To the contrary "No".

Several members interjected.

The ACTING SPEAKER: I think the noes have it.

Mr Ripper: Divide!

*Points of Order*

Mr BARNETT: There was only one voice from the other side. In those circumstances, the division is inappropriate.

Mr RIPPER: There was definitely more than one voice on this side and there will be more than that when the division is taken.

Mr BARNETT: It is clear that if there is only one voice on the other side, a division should not take place. If members opposite will indicate who voted, I will happily withdraw the point of order.

The ACTING SPEAKER: I am unable to judge how many people spoke. I heard only one voice. However, I am happy to accept the advice of members as to who voted. If other members did vote - I believe the member for Geraldton acknowledges that - I will accept that as being two voices and continue with the division.

*Motion Resumed*

Question put and a division taken with the following result -

Ayes (16)

Ms Anwyl	Mr Marlborough	Mr Ripper
Mr Brown	Mr McGinty	Mrs Roberts
Mr Carpenter	Mr McGowan	Mr Thomas
Dr Edwards	Ms McHale	Ms Warnock
Mr Grill	Mr Riebeling	Mr Cunningham ( <i>Teller</i> )
Mr Kobelke		

Noes (29)

Mr Baker	Mrs Holmes	Mr Pandal
Mr Barnett	Mr Kierath	Mr Shave
Mr Board	Mr MacLean	Mr Sullivan
Mr Bradshaw	Mr Marshall	Mr Sweetman
Dr Constable	Mr Masters	Mr Trenorden
Mr Court	Mr McNee	Dr Turnbull
Mr Cowan	Mr Minson	Mrs van de Klashorst
Mr Day	Mr Omodei	Mr Wiese
Mrs Edwardes	Mr Osborne	Mr Bloffwitch ( <i>Teller</i> )
Mrs Hodson-Thomas	Mrs Parker	

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Pairs

Ms MacTiernan	Mr Nicholls
Dr Gallop	Mr House
Mr Graham	Mr Tubby

Question thus negatived.

**STATE TRADING CONCERNS AMENDMENT BILL**

*Committee*

Resumed from an earlier stage of the sitting.

The Deputy Chairman of Committees (Mr Ainsworth) in the Chair; Mr Court (Premier) in charge of the Bill.

**Clause 5: Section 4A inserted -**

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

Page 3, lines 20 to 23 - To delete the lines.



Mr PENDAL: I would like the Premier to explain where the initial advice came from suggesting the need for the part of the clause we are seeking to delete.

Mr COURT: The Treasury was dealing with parliamentary counsel who in turn received advice from the Crown Solicitor. The original drafts used just the word "sponsorship". The Crown Solicitor said that it would have to be worded in this way to make it wider. The Act applies to those situations only where the activity results in a monetary benefit. It does not apply to those situations where the benefit is in kind. The provision is designed to address two specific situations. The first is opportunities which are clearly of an advertising nature. An example is a public sector magazine of which I have a copy. I do not know whether the Deputy Leader of the Opposition has seen the publication. It provides information of importance and interest to the public sector. The opportunity presents itself to reduce the publishing costs by providing limited advertising of services which relate to the readership and are seen to be of interest. Similar publications come from the Office of Seniors Interests. The key area of doubt is where a department may receive sponsorship in monetary form.

It is not unreasonable in those circumstances, although a donor's motives may be purely altruistic, for the donor to want some formal recognition in an insignificant way. An example may be a plaque at a school. Depending on how the donation is given recognition, it could be argued that it constitutes revenue from advertising. This amendment provides the opportunity to remove the doubt by providing a formal approval through regulation. The difficulty is the grey area. By formalising it in this regulation and putting guidelines in place, there may be some control instead of just pushing it under the carpet and saying that these things are taking place and not doing anything about it. Basically, we want to clarify a situation where sponsorship has been accepted. All the concerns that have been raised about the need for guidelines and so forth are well and truly agreed.

Mr RIPPER: The problem with the explanation that the Premier has just given is this: In seeking to regulate, formalise and legitimise the area of sponsorship and what he calls the grey area, the Government with this legislation is apparently opening up possibilities for the much broader use of advertising opportunities to generate revenue. That is what is being objected to by the Independent members and others on this side of the Chamber. We want schools and other public agencies to be empowered to accept the modest sponsorship and gifts about which the Premier is talking. In seeking to regularise the practice, he appears to be creating a legal mechanism whereby there could be wholesale use of sponsorship and the sale of advertising to generate revenue for public sector departments. We particularly object to that possibility in the school system.

Mr COURT: That is exactly what is happening at present. It could be argued that some of the forms of sponsorship are advertising and that a monetary benefit is flowing through. One can ignore it or put guidelines in place. As I have said, technically what is happening in the public sector magazine is not right.

Mr RIPPER: The Government should give some consideration to redrafting this clause. I expect that all people on this side of the Chamber will be voting for the amendment to delete the words from the Bill, but the Premier's numbers will carry this clause. Nevertheless, I hope he will give some support to the arguments put forward and consider whether there is a tighter way of drafting it. In seeking to regularise the grey area the Premier is opening up a Pandora's box and allowing all sorts of other activities which do not exist at the moment and which we would not support to be regularised through some legal mechanism.

Mr COURT: I understand the concerns that have been raised. I am advised that that was seen as the most practical way of approaching the problem. I do not have a difficulty between here and the other place in seeing if there is a better way to achieve the goal. I do not want to walk away from the fact that these things are happening at the moment. Let us not bury our heads in the sand and say that sponsorship does not occur which could be construed as advertising. Monetary revenue is being received for advertising. It is critical that formal arrangements and guidelines are in place so that there may be some control of it.

Mr BROWN: The matter is one of drafting. The current paragraph (b) seeks to do two things. The first is to provide an opportunity for government departments and agencies to advertise matters such as goods, information or intellectual property, so that in the event that a department or agency produces some intellectual property and might have a market for it interstate or overseas, in order to market and sell the property, it might need to advertise. I will put on other caveats later. It may be hard to argue that the form of advertisement should be in any way proscribed; that is, the department or agency should be able to tell the world at large how good is its product, service or intellectual service in order to entice others to purchase it and bring revenue to the State and possibly create goodwill between Western Australia and other States and countries.

That form of advertising in those given circumstances, where for example we are selling a land management plan to Vietnam, is quite distinct and separate from the form of advertising talked about here in relation to schools. Not being a lawyer or a draftsman, it seems to me that the concern of members on this side and Independent members might be able to be encapsulated in a draft which separates the form of advertising about which we are concerned

from the form of advertising that relates to the selling of goods, information and intellectual property. There is a distinction between the two. Advertising in schools is objected to on the basis that the corporate sponsor could seek to influence school activities and young minds in a particular way.

I do not have any objection, and I know it happens at present, to business entities and personalities supporting schools and students at schools, and to having a small plaque in the principal's office or in the entrance to the school which denotes those people who have made a financial contribution to the school or the students. I do not regard that as advertising. It might technically be advertising according to parliamentary counsel, but according to my reading of *The Concise Oxford Dictionary* definition of advertising, that would not qualify.

That is not my objection. My objection is where a large corporate sponsor says that in return for its advertising at a school, it wants its name to be emblazoned across the school, on lunch bags or whatever else it might be, and the school must sell or use its product, or whatever. If we start to go down that track, there will be major problems and we will run into all sorts of conflicts of interest. The concern is that if Governments start to move down this road significantly, they will eventually reach the point where they become so reliant on the corporate dollar that they cannot change direction, and at that point we would have a major problem in our education system or in other government systems that should always be capable of standing alone. People, or organisations or business entities, who for altruistic reasons wish to assist should not be distracted from their main purpose by the fact that government needs corporate sponsorship and must take certain courses in order to get that corporate sponsorship.

Mr PENDAL: I thank the Premier for the part explanation that he gave earlier to my question. He made the sensible suggestion that the matter be looked at between now and when the Bill arrives in the other place. Notwithstanding that, I intend to vote against the clause, in order to bring about that review.

The Deputy Leader of the Opposition and the member for Bassendean have correctly expressed the concerns that I raised when I moved the amendment. It is never of concern when one hears a perfectly reasonable explanation of the limited application of a clause, but when one is not a government member, one takes an extra degree of caution to find out what is the limit of a clause's application, and by any plain reading of those words, all the fears that we have expressed about the education system and the classroom are valid.

The Premier said that Treasury began the process and then took up the matter with the Crown Solicitor because there was a degree of uncertainty. Which department or agency put to Treasury a certain view of the world and about sponsorship and advertising so that Treasury said, "This is a grey area; we will have to ask the Crown Solicitor"? I never doubted that the ultimate legal advice came from the Crown Solicitor - that is what one would expect - but that is at the end of the chain.

Mr BROWN: One of the concerns that I raised during the second reading debate was the degree to which the Parliament will be informed when departments and agencies enter into arrangements or sell off goods, information or intellectual property, as indicated in the Bill. It has been extraordinarily difficult for some of us here to get any information from Ministers about contracts that have been entered into by departments and agencies. I remind the Premier that time and again in this place when we have asked questions about what contracts departments and agencies have entered into, Ministers have refused to provide the answer. Time and again Ministers have refused to indicate how much contracts are worth, whom contracts are with, who the bidders were, and other details. The extent that information will not be made available to the Parliament is the extent to which some of us on this side of the Chamber have a concern about these arrangements.

I invite the Premier to indicate whether the standard of answers to the questions we ask about contractual arrangements in this place is likely to improve so that we can be confident that questions about arrangements entered into by departments and agencies under the provisions of this Bill will be answered and we will get that information. I have significant concerns that information about contractual arrangements is not made available to this Parliament, not by inadvertence or negligence, but by the clear decision of Ministers to simply not provide it. To the extent that this Parliament is being asked to pass a Bill which will give greater discretion to the Government and Ministers, I have that concern.

The second matter on which I would like some advice is the investment that departments and agencies are likely to make in these sorts of activities, particularly with regard to advertising, and the extent to which it is envisaged that departments and agencies will invest in real property, equipment or personnel in order to carry out these functions. The Premier said during the second reading debate that these things can be regarded as the more glamorous side of the job.

My concern is that the focus of departments can become skewed if those who seek to involve themselves in the more glamorous side of the job focus on selling goods, information or intellectual property rather than on providing services to the public of Western Australia. I want to know what checks and balances will be put in place and

whether information will be made available to this Parliament freely and openly, without our having to cajole the Minister into providing information to the Parliament about where investments of this nature are made.

Mr COURT: The Burt Commission on Accountability came out with the point that agencies should not enter into a secrecy arrangement that stops them from giving information to the Minister. There were situations where the Minister could not get information because of the secrecy provisions. The FAAA was then amended. I refer to existing section 58C(b) which outlines that the Minister must be provided with that information. It states -

. . . no contractual or other obligation is entered into,

by or on behalf of the Minister, department or statutory authority that would prevent or inhibit the provision by the Minister to the Parliament of information concerning any conduct or operation of the department or statutory authority in such a manner and to such an extent as the Minister thinks reasonable and appropriate.

There may still be circumstances where the Minister makes a decision that for commercial confidentiality the information would not be made available, but he must receive the information. As I mentioned earlier, the accountability provisions come within the Financial Administration and Audit Act and are subject to auditing by the Auditor General. I think that answers the second part of the question.

Mr BROWN: The answer provided by the Premier does not answer my question on two counts. The first is that I am aware of the requirements of the FAAA and the requirement for agencies to advise the Minister; however, accountable government requires not only the Minister, but also this Parliament to know certain things. Whether there is a block between agencies and a Minister, I do not know; however, there is certainly a block between the Minister and the Parliament. I ask question after question in this place about contracts and they are not answered - deliberately, consistently, persistently.

In many cases it is not difficult to provide an answer, because the documents are usually available. When I ask for information in this place, for which I am entitled to ask - the Royal Commission into Commercial Activities of Government and Other Matters said we were entitled to ask for information and to get it and not have it kept secret because it might be embarrassing for the Government or because the Government does not want to disclose it for whatever reason - it is simply not provided. The Premier must see my concern when a Bill which gives Ministers a greater discretion comes before us. We on this side cannot get information, despite asking for it time and again. I seek from the Premier a clear and considered response tonight that Ministers will be directed by him to provide that information to the Parliament.

Mr Court: Would you accept there are some areas where it is not appropriate to provide the information? If there is a marketplace for some goods and if too much is let out of the bag, it might affect the negotiating position the next time around.

Mr BROWN: It may well do that, but if it is a question of accountability to the people of Western Australia or the commercial benefit the Government might get, the first obligation is to the people of Western Australia. Ministers cannot hide the information on the justification that they are somehow the best economic managers and financial managers and on that basis they will keep it secret because it is in their interests to do so. That simply is not acceptable. This Parliament is entitled to that information. I will continue to ask for it, and every time I ask for the information and do not get it, I will point out to everybody outside this place who asks me that I have asked for it and that Ministers have deliberately, consistently and persistently refused to provide it. That is not accountability to this Parliament at all.

Mr Court: Give us a specific example.

The DEPUTY CHAIRMAN (Mr Ainsworth): Before the member for Bassendean does that, I say that although I understand the connection the member is implying between the statements he made and the question before the Committee, he is now starting to stray a little too far from the point, even for my leniency. I ask him to direct his remarks more to the question at hand.

Mr BROWN: I will put it in this context: The Bill will give departments and agencies a power to do a number of things outside of their traditional functions. In certain circumstances that will require them to enter into contracts and arrangements. I do not have anything recorded in *Hansard* yet from the Premier to indicate that when we ask questions in this place about those matters we will receive the information. Until such time as it is recorded in *Hansard* that the Premier will ensure his Ministers provide that information, I will continue to oppose the widening of the discretion given to departments and agencies.

Mr PENDAL: I refer the Premier to the fact that I raised a number of issues when I was last on my feet. For the sake of the record, I reiterate my questions: Why did the Treasury first have doubts raised in its mind, sufficient to send

this matter to the Crown Solicitor, and did another agency or department put the proposition or some proposition to the Treasury, which then required the grey areas to be removed by sending it to the Crown Solicitor?

Mr COURT: I briefly say to the member for Bassendean that the nature of the activity must be included in an annual report and any revenues generated from the activity would have to be reported. I do not see why the information he is talking about would not be made available if it must be reported.

In response to the member for South Perth, I am advised that there have been a number of requests from different agencies to get permission or advice on whether they could accept sponsorships. That is why the matter is in the legislation.

Mr Pandal: Can you indicate which are they?

Mr COURT: Some of the departments of which I have been advised include the Office of Seniors Interests; the Health Department; the Ministry of the Premier and Cabinet; and Family and Children's Services. I am advised by the officer at the Table that he made the decision to get the advice from the Crown Solicitor because the drafting was quite complex. He has advised me that many requests have come through about whether sponsorship can be accepted, and this gives rise to this grey area.

Mr BROWN: The Financial Administration and Audit Act imposes some broad obligations on accountable officers of departments to report to Ministers. The detail of that report is a matter for the discretion of that officer. The officer must meet certain standards, but does not have to report on every detail. For example, the other day the Premier tabled in the Parliament a letter from the Deputy Auditor General concerning matters relating to the Western Australian Tourism Commission in which concerns were raised about certain procedures followed with the Global Dance Foundation Inc issue. The annual report of the Tourism Commission does not refer to the comments made by the Deputy Auditor General. Although the Auditor General or his deputy may have concerns about certain processes in departments and agencies no guarantee exists that those concerns will be reflected in the annual report. Therefore, it is necessary for members in this place who are concerned about contractual arrangements entered into by the Government to continue to probe and question the Government.

The mere fact that this is a requirement under the FAAA does not mean that the information will be provided in the annual report. The Royal Commission into Commercial Activities of Government and Other Matters said that this Parliament was entitled to that information. I still have not heard anything from the Premier that indicates that if members on this side of the House request information on contracts either generally or specifically arising out of this Bill that information will be provided. All that the Opposition requires is that the Premier place his undertaking in *Hansard* that that will happen. It does not need to be in the legislation. Without that undertaking I have grave doubts that we will get the information. I have grave doubts that when we ask questions in this Parliament answers will be forthcoming. If that is the case, the policy of the Government flies in the face of the spirit and recommendations of the royal commission, and raises grave concerns about the Opposition supporting this Bill, in particular, the amendment moved by the member for South Perth. If the Premier does not give that undertaking it says volumes about the level of accountability of the Government in these matters.

Mr COURT: I do not get the point that the member for Bassendean is driving at. I have explained that the nature of the activity and any revenues generated must be reported under the Financial Administration and Audit Act. I have explained that in areas of commercial confidentiality all information must go to the Minister and if a judgment is made that the information should not be made public, I cannot give the member the assurance that he is seeking. The member must accept that the information will become public, except where a Minister makes a decision based on commercial confidentiality. However, the Minister makes the decision and not the head of the department. Some discretion must be used - for example, in a murder investigation - on what is made public in this Parliament.

Mr BROWN: I place on record my disappointment at that answer. Hearing this evening that Ministers are deciding in their own wisdom what matters they will apprise this Parliament of in a financial sense does not give me confidence in the accountability levels of the Government. That is a retrograde situation that opens up all sorts of accountability problems. It means that members of this Parliament cannot accurately inform constituents about the nature of arrangements that Governments have entered into, or the veracity or cost effectiveness of those arrangements. There is no way that the Opposition can independently judge those issues, because the Government will not provide the information.

The Government may attempt to hide information from the Parliament; however, that will not stop some of us continuing to request that information and drawing the attention of the public of Western Australia to when that information is not provided.

Amendment put and a division taken with the following result -

## Ayes (18)

Ms Anwyl  
Mr Brown  
Mr Carpenter  
Dr Constable  
Dr Edwards  
Mr Grill

Mr Kobelke  
Mr Marlborough  
Mr McGinty  
Mr McGowan  
Ms McHale  
Mr Pental

Mr Riebeling  
Mr Ripper  
Mrs Roberts  
Mr Thomas  
Ms Warnock  
Mr Cunningham (*Teller*)

## Noes (27)

Mr Baker  
Mr Barnett  
Mr Board  
Mr Bradshaw  
Mr Court  
Mr Cowan  
Mr Day  
Mrs Edwardes  
Mrs Hodson-Thomas  
Mrs Holmes

Mr Kierath  
Mr MacLean  
Mr Marshall  
Mr Masters  
Mr McNee  
Mr Minson  
Mr Omodei  
Mr Osborne  
Mrs Parker

Mr Shave  
Mr Sullivan  
Mr Sweetman  
Mr Trenorden  
Dr Turnbull  
Mrs van de Klashorst  
Mr Wiese  
Mr Bloffwitch (*Teller*)

## Pairs

Mr McGinty  
Dr Gallop  
Mr Graham

Mr Nicholls  
Mr House  
Mr Tubby

**Amendment thus negatived.**

**Clause put and passed.**

**Clause 6 put and passed.**

**New clause 7 -**

Dr CONSTABLE: I move -

Page 4, after line 18 - To insert the following new clause -

**Section 29 inserted**

7. After section 28 of the principal Act the following section is inserted -

**Annual Reports**

29. All departments carrying on trading concerns under this Act shall in their annual report prepared under section 62 of the *Financial Administration and Audit Act 1985*, report in full on the operations of the trading concern.

I move this amendment because it is important that we ensure that all departments report in full on the details of any commercial activity in their department. A few moments ago the member for Bassendean referred to examples from the annual report on tourism and how he sought information that he had expected to find in that report. In his summing up at the end of the second reading debate the Premier said that departments and agencies are required to report annually in full. He repeated those comments in Committee. It is important to state explicitly and in full in annual reports the details of the type of commercial activities we have been discussing in debate on this amendment Bill.

Given that the Premier has confirmed that departments are required to report in full on financial matters I expect that he will have no problem with this requirement being stated explicitly in the legislation and therefore will accept this amendment. It will be a reminder to all departments of the importance of financial accountability and of reporting openly about the details of commercial transactions and trading concerns.

This amendment is about accountability of government and of providing information to the Western Australian public on the activities of government departments and agencies.

I remind the Premier once again that the amendment goes to the heart of the recommendations of the Royal Commission into Commercial Activities of Government and Other Matters and the Commission on Government which suggests that the State Trading Concerns Act 1917 should be repealed and replaced by legislation that will be more accountable or call for more accountability through more appropriate and modern legislation. We do not have that new legislation, we have tinkering at the edges of the old legislation. It is important for us to amend the old legislation, if we like, to include the accountability measures recommended by those two commissions.

I have been following for some years the commercial activity of the First Steps program within the Education Department of Western Australia. I am not commenting on the program itself but on the commercial activities surrounding it. There are two aspects to it: The first is the contracting out of the publication of the material developed in the Education Department; and the second is the marketing of that program which stayed within the department.

Earlier today I looked at the financial statements of the 1995-96 annual report of the Education Department and found that in two instances where revenue is reported no mention is made of First Steps. However, a note on page 54 tells us that the revenue earned from First Steps was \$1m. No details are provided about the expenses of that program.

Mr COURT: I cannot see how this amendment will change the reporting requirements of departments. The legislation may be old legislation but the Financial Administration and Audit Act is relatively new legislation and does not tinker at the edges. Section 62 requires the accountable officer to prepare an annual report containing financial statements, and report on the operations of the department and any other information as the Minister may direct in writing. The revenues derived from activities to which we are referring must be paid into the consolidated fund or retained under net appropriation. Either way the revenue and purposes to which it is applied are reflected in the Budget and are reported on by the department. The FAAA already has a reporting requirement.

The member's example is about the amount of detail included in reports. The Health Department with a budget of more than \$1.5b rounds its figures to, I think, the nearest \$100 000. Small agencies go to the nearest \$1 000. Details vary between departments. A reporting requirement exists. I do not see why we should add an amendment when the FAAA already contains the requirements for departments to report.

Dr CONSTABLE: We know from the financial statements of the Education Department that the revenue raised in the First Steps program was \$1m in 1995-96. However, we have no idea of the expenditure that was incurred to raise that \$1m. More than \$1m may have been expended to get the \$1m of revenue. These reports do not contain enough detail of what is happening in those commercial activities. It must be stated explicitly in this legislation, perhaps repeating what is in other legislation, that we want detailed reporting of the commercial activities of each department.

This is basic accounting; there is revenue and expenditure. However, all we find out from this report in a note to these financial statements - not in the main statements - is that \$1m of revenue was raised in the marketing of First Steps in 1995-96. Does anybody know how much money the department spent? It has not been reported here. Dozens of similar activities occur in government departments and we never find out what the detail is and how well things are managed. If the Government wants better management, as it has promised to produce, part of that better management involves proper reporting in these annual reports.

Mr BROWN: For all the reasons I outlined previously, I support the amendment moved by the member for Churchlands. It is unfortunate that provisions like this must be included in legislation to ensure full reporting. It is obviously necessary that such provisions are included because there has been a reluctance by Ministers to make such information available to the Parliament. Government is not accountable to Parliament unless that level of detail is provided and there is no reason it should not be provided in an annual report. I am aware of what the Financial Administration and Audit Act, as amended, states in section 62. However, there are different ways of setting out financial statements. That is not to say that financial statements are wrong, but there is a way in which they must be presented.

Sometimes because of the way financial statements are presented it is difficult to obtain important detail that should be the subject of examination by this place. I am a member of the committee that looks at the Lonnie awards. Just the other day that committee considered a government department that had carefully crafted its annual report. The expenditures were correct, but were presented in such a way that it was difficult, if not impossible, to identify certain moneys that had been expended. Although reports from many agencies are tabled in this place, the presentation of those reports concerns me. When we look at the notes accompanying the financial statements it is difficult to get to matters of detail.

I support this amendment because it will place an obligation on departments and agencies to report in detail. That means that this Parliament and the people of Western Australia will be better informed about the activities and

operations of departments and agencies and about where taxpayers' money is being used. To that extent it will improve the accountability mechanisms that are available.

Dr CONSTABLE: I am disappointed that the Premier has not chosen to respond to my comments and to those of the member for Bassendean. I would like from him tonight a commitment that he agrees with this amendment so that we know what the commercial activities of government departments are. From the sorts of financial statements we get, we do not know whether all of them are even listed. What is more, we are not given enough information to know whether it is worthwhile. I return to the First Steps example because it is a good one.

We know that a lot of activity is going on to market the First Steps program. We know that in 1995-96, \$1m in revenue was raised. I would like a statement from the Premier that he agrees that a need exists for full disclosure of these matters. We should know the details - not just the revenue of one program or commercial activity that happens to be noted in the financial statements, but the expenditure. I know from looking at the report on government travel that people involved in this program have been travelling the world, spending money marketing the program. We should know what those full expenses are to see whether it is a worthwhile commercial activity. I cannot understand why the Premier, who in opposition was a champion of accountability, would not agree to have this amendment included in the Bill.

Mr COURT: The member is arguing about what level of detail should be reported.

Dr Constable interjected.

Mr COURT: That will not be covered by this amendment because of the doctrine of materiality. The member requests the reports in full. A decision must be made on what is material and at what level that is cut off. A department does not present all its accounts. If the member wants to ask questions about more of the detail of something, that can be given to her. The member talks about accountability, but that information must be provided.

Mr Pental: But it has not been; that is the point being made.

Mr COURT: It depends on what the cut off point is. If the member wants to know the expenditure involved in developing the land title system that was being sold to Vietnam -

Dr Constable: Of course the department should inform us about that.

Mr COURT: How would it be able to determine the cost of developing a land title system that it had worked on for 10 years across many different parts of the agency? It could make a stab at it.

Mr Pental: We are talking about annual expenses. You know that. There is a big column of figures that you add up to show what you have spent in a year and what you have on the expenditure side.

Mr COURT: If the member wants to debate accounting procedures, I will willingly do that. The Government has moved at 100 miles an hour to bring in accrual accounting so that proper cost allocations can be made to different services. Every year the Government lifts the standards of the accounting information that is made available. For example, we have made all government departments pay commercial rents on government properties to obtain proper cost allocations.

Under the FAAA, departments must report. The member is arguing about the level at which they must report. The doctrine of materiality provides that under their accounting standards they must make a decision on what is material. If that is not enough information for the member, he can ask questions to obtain the information.

Mr Brown: We cannot get information from questions; that is the problem, Premier!

Mr COURT: I ask the member to give me an example of when he could not get the information.

Mr BROWN: I will retrieve the question I asked, but I invite the Premier to have a look at matters arising this week concerning Westrail and the potential contracting out -

Mr Court: Is that an activity we are talking about here under this legislation? Westrail has its own legislation and reporting requirement. We are talking about an activity which becomes public because it must be put through a regulation. The activity must be reported in the annual report. The member is talking about a contract in a trading corporation which is outside this legislation.

Mr BROWN: I am not filled with great confidence on this matter. Last year when I asked a range of questions about contracting out, they were not answered. I do not have them in front of me, but they were consistently, persistently and deliberately not answered.

The DEPUTY CHAIRMAN (Mr Ainsworth): The member for Bassendean will come to order.

Mr BROWN: The Premier asked me a question.

The DEPUTY CHAIRMAN: The Premier's question was probably out of order, but I allowed him to ask it given his position. I am ruling the member's answer out of order. He has canvassed it well on the public record as he expressed a wish to do, and I ask him to bring his comments to a close.

Mr BROWN: I am happy to do that. The Premier asked me to show him an example of an activity which would be covered by this Bill, but that is not the complaint I raise. I am concerned about extending the discretion permitted under this Bill to Ministers and agencies given the level and accuracy of reporting to date. I cannot show the Premier concerns about activities to be allowed under this Bill as, presumably, those matters have not yet occurred; therefore I cannot meet that test. I draw an analogy with the level of reporting elsewhere on contracting. When I make that comparison, the standard is appalling.

Mr PENDAL: We can conclude from this debate that the Premier is making a rod for his own back. He used a term certainly not familiar to me, although I am sure it is to the accountants, and he then explained the matter by asking the question: What level of detail does the member want? The answer lies partly in the example given by the member for Churchlands from page 154 of the Education Department's annual report. For example, the statement was made that the "departmental revenue also increased by \$2m, of which \$1m was derived from First Steps marketing".

The question from the member for Churchlands was about how much was spent in order to place that revenue on the receiving side of the ledger. The answer to the Premier's question is that the department provides plenty of detail about what it wants to say, but not the detail the Parliament might want to learn. The report states that "departmental revenue also increased by \$2m, of which \$1m was derived from First Steps marketing - \$0.2m." That is the level of detail provided. The department has surpassed the Premier's standards. The report then refers to \$200 000 for the Indian Ocean territories program and \$300 000 from school funded appointments. We know that. However, the member for Churchlands wanted to know why the department did not provide the other side of the ledger.

It cannot possibly be onerous to impose on these trading concerns, or entities as they are referred to in the Bill, the obligation to provide the very level of detail to which we refer. After all, I sat alongside the Premier, who is now defending this situation, when he was the advocate of a detailed level of accounting; therefore, it defies imagination that he could oppose a provision which will put into the State Trading Concerns Act a requirement for annual reporting. The amendment is entirely consistent with what the Premier says is in other Statutes and departments are already obliged to provide.

Mr COURT: Does the member for South Perth agree that there is a requirement for annual reporting?

Mr Pendal: There is not a requirement for annual reporting in the Act.

Mr COURT: There is. I have just explained to the member that there must be reporting.

Mr Pendal: Under the Financial Administration and Audit Act, yes.

Mr COURT: I think the member has gone off the track. He says that no requirement applies for annual reporting, when a specific one applies. Not only is there a requirement for annual reporting, but the Auditor General must also make sure that proper auditing is carried out and the revenues are clearly outlined and reported by the department. The member refers to the level of detail provided in a report. The member for Churchlands wants to determine the expenditure involved in the First Steps program, but has she asked questions about that matter?

Dr Constable: I have tried many times. The director general came out to my office three years ago after I asked questions repeatedly. I still do not have the answer.

Mr COURT: Has the department not told the member how much it cost to develop the First Steps program?

Dr Constable: No. Why can it not be in the annual report? A list of commercial activity with simple figures should be provided - at least bottom line figures.

Mr COURT: Regarding the way in which financial statements are reported, a number of Treasurer's statements are released about the level of reporting required in different areas. This amendment will simply state that what is currently done must apply. Some guideline instructions will be required about what the member means by "reporting in full". That is why the Financial Administration and Audit Act has Treasurer's Instructions regarding the format in which things are presented. If members are not happy with the reporting requirements of the FAAA, why not amend it rather than move this amendment?



Dr Constable: I have asked for a commitment from you; namely, if you will not agree to the amendment for annual reports to inform us of the commercial activity of the department, will you give some bottom line figures on expenditure and revenue so we know the net profit or loss of the commercial activity? It is basic information.

Mr COURT: I cannot see any difficulty with that. The member refers to information which I believe must be reported anyway.

Dr Constable: It is not.

Mr COURT: I am not familiar with the First Steps program or whether it is easy to determine the cost in developing that deal. In some areas it will be easy, and in other areas it will be difficult to determine the costs involved. A Treasury official prepared a very sophisticated home mortgage financial package. However, no-one could put a cost on its development as it required evaluating what that person did, the various equipment used within Treasury and so on. He produced a unique proposal. In some cases it is simple and in others it is not.

The information the member is referring to must be provided anyway. I do not have a difficulty saying that that sort of information should be provided on those commercial activities. It should certainly be provided and if the member wants more detail than what is in the annual report she should be able to get it through either questions or the Estimates Committee.

Dr Constable: Do I have a commitment from you that the annual reports will include that information? If so, we would know what are the commercial activities of departments and we would have bottom line figures on revenue and expenditure.

Mr COURT: The legislation is about the activities being reported on in the annual report.

Dr Constable: Let's make sure that they are reported this time.

New clause put and a division taken with the following result -

Ayes (18)

Ms Anwyl  
Mr Brown  
Mr Carpenter  
Dr Constable  
Dr Edwards  
Mr Grill

Mr Kobelke  
Mr Marlborough  
Mr McGinty  
Mr McGowan  
Ms McHale  
Mr Pental

Mr Riebeling  
Mr Ripper  
Mrs Roberts  
Mr Thomas  
Ms Warnock  
Mr Cunningham (*Teller*)

Noes (27)

Mr Baker  
Mr Barnett  
Mr Board  
Mr Bradshaw  
Mr Court  
Mr Cowan  
Mr Day  
Mrs Edwardes  
Mrs Hodson-Thomas

Mrs Holmes  
Mr Kierath  
Mr MacLean  
Mr Marshall  
Mr Masters  
Mr McNee  
Mr Minson  
Mr Omodei  
Mr Osborne

Mrs Parker  
Mr Shave  
Mr Sullivan  
Mr Sweetman  
Mr Trenorden  
Dr Turnbull  
Mrs van de Klashorst  
Mr Wiese  
Mr Bloffwitch (*Teller*)

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Pairs

Ms MacTiernan  
Dr Gallop  
Mr Graham

Mr House  
Mr Nicholls  
Mr Tubby

**New clause thus negatived.**

**Title put and passed.**

*Report*

Bill reported, without amendment, and the report adopted.

*Third Reading*

Bill read a third time, on motion by Mr Court (Premier), and transmitted to the Council.

**BILLS (2) - RECEIPT AND FIRST READING**

1. Trustees Amendment Bill
2. Sea-Carriage Documents Bill

Bills received from the Assembly; and, on motions by Mr Barnett (Leader of the House), read a first time.

**DELEGATED LEGISLATION COMMITTEE - RECONSTITUTED***Council's Message*

Message from the Council received and read requesting concurrence in the following resolution -

That a Delegated Legislation Committee be reconstituted with the same order of reference as that under which a committee of the same name was constituted in the Thirty-fourth Parliament and that the Legislative Assembly be invited to pass a similar resolution.

*House adjourned at 11.28 pm*

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**QUESTIONS ON NOTICE**

**GOVERNMENT PROPERTY - SALE**

51. Dr CONSTABLE to the Minister for Primary Industry; Fisheries:
- (1) In relation to all real estate (land and buildings) sold within the Minister's portfolios in the 1995-96 and 1996-97 financial years -
    - (a) where was the real estate situated (giving the actual address of the land and building);
    - (b) for what amount was the real estate sold;
    - (c) when, if ever, was the most recent valuation of the real estate conducted; and
    - (d) what was the value of the real estate according to the valuation?
  - (2) What real estate within the Minister's portfolios is currently for sale or in the process of being sold?

Mr HOUSE replied:

Agriculture Western Australia -

- (1) One site was sold in 1995-96 on 1 August 1996. No land has been sold to date in the 1996-97 financial year.
  - (a) The land was a Depot site situated on the Geraldton-Mullewa Road, Certificate of Title 1410/008.
  - (b) \$187 500.
  - (c) July 1995.
  - (d) \$225 000 - this site was put up for auction but did not reach the reserve price and was subsequently passed in. It was then revalued to \$200 000.
- (2) There are no properties currently being offered for sale or in the process of being sold, however several properties are under consideration for future disposal. In relation to the other Departments and Agencies under my control, I am advised that there were no sales in 1995-96 and no sales planned for 1996-97.

**HEALTH - WAITING LISTS**

*Comparative Figures*

75. Dr CONSTABLE to the Minister for Health:
- (1) How many Western Australians are on a waiting list for -
    - (a) home help,
    - (b) physiotherapists,
    - (c) podiatrists,
    - (d) dietitians; and
    - (e) Silver Chain services?
  - (2) What is the average length of time people must wait before they can obtain the above services?
  - (3) How do these figures compare to five years ago?

Mr PRINCE replied:

- (1)
  - (a) Most recent available information indicated that there are approximately 300 people in the metropolitan area at any one time waiting for home help. There have been no reports of waiting lists in country areas. People with urgent needs are given priority and in most cases will receive services immediately or within a few days.
  - (b) State Government funded physiotherapy services for non-inpatients are primarily provided by public hospital outpatient departments. The Medicare scheme does not provide access to physiotherapy services outside of public hospitals. Each public hospital maintains and manages its own waiting list for physiotherapy services. These services are provided on a priority basis. Information provided by metropolitan public hospitals indicates that at any one time there are over 600 people on waiting lists for physiotherapy services. Most country hospitals report short waiting

lists for physiotherapy services except for Bunbury and Peel Health Services which have approximately 110 and 60 patients respectively on waiting lists for physiotherapy.

- (c) Information supplied by public hospitals indicates that there are approximately 200 people on metropolitan public hospital waiting lists for podiatry. Country hospitals report short waiting lists or no waiting lists for podiatry services.
  - (d) Information supplied by public hospitals indicates that there are approximately 200 people on metropolitan public hospital waiting lists for dietitians. Country hospitals report short waiting lists or no waiting lists for dietitian services.
  - (e) Silver Chain reports that there are 266 people on its metropolitan waiting lists for services. It reported no waiting lists for country services.
- (2)
- (a) Home Help - Waiting times can vary from service to service and people can be on more than one waiting list. The larger services always attempt to respond immediately to urgent situations and will re-assess people on waiting lists for home help if circumstances change. However, in some instances a person may wait several weeks for a home help service. In excess of 15 000 people receive home help services in a given month.
  - (b) Physiotherapy - Average waiting times vary between hospitals. In all cases people with urgent needs will be seen as quickly as possible. For individual hospitals, the majority report an average waiting time from two to six weeks. There are exceptions, with one country hospital reporting a waiting time of up to 18 weeks.
  - (c) Podiatry - Most hospitals report waiting times of two to three weeks for podiatry services. However, some report waiting times of up to six to eight weeks.
  - (d) Dietetics - Hospitals report waiting times of between three and six weeks and extending up to eight weeks.
  - (e) Silver Chain - Waiting times depend on the type of service required. It is assessed on a needs basis with urgent cases receiving immediate attention.
- (3) Where information is available a number of hospitals indicate that the position is either unchanged or improved. However, in a number of instances, waiting times for physiotherapy services appear to have increased.

#### ABORIGINES - HOUSING

##### *Funding*

202. Mr MARLBOROUGH to the Minister for Housing:

- (1) What has been the general allocation of funding from the Federal Government since March 1994 for Aboriginal housing in Western Australia?
- (2) What percentage of this funding has been allocated to housing in the communities of -
  - (a) Jigalong;
  - (b) Balgo;
  - (c) GoGo Station;
  - (d) Christmas Creek;
  - (e) Looma;
  - (f) Beagle Bay;
  - (g) One Arm Point;
  - (h) Oombulgurri; and
  - (i) Kalumburu?
- (3) What is the mechanism by which such funding is allocated to Aboriginal communities in Western Australia?

Dr HAMES replied:

- (1) \$15.862m per financial year pursuant to the Aboriginal Rental Housing Program under the Commonwealth-State Housing Agreement.
- (2)\*
  - (a) 0.6 per cent
  - (b) 0.02 per cent
  - (c) 1.9 per cent
  - (d) 0.42 per cent

- (e) 4.68 per cent
- (f) 0.46 per cent
- (g) 0.05 per cent
- (h) 1.26 per cent
- (i) 5.32 per cent

(3) The Aboriginal Housing Board recommending to the Homeswest Board and myself.

\* Percentages given relate to actual project expenditure.

#### WATER - QUALITY

##### *Forrestdale*

206. Ms MacTIERNAN to the Minister for Water Resources:

- (1) When was the most recent sampling of water quality in the Forrestdale main drain made?
- (2) What was the result of that sampling?
- (3) What steps are being taken to reduce pollutants in the drain?

Dr HAMES replied:

- (1) The Water and Rivers Commission and the Swan River Trust do not monitor this drain.
- (2) Not applicable.
- (3) The Forrestdale main drain connects to the Southern River. The Water and Rivers Commission and Swan River Trust are working with community groups to prepare a catchment management plan for the upper Canning and Southern-Wungong River Catchments to reduce nutrient and pollution loads to the Canning River.

#### HEALTH - ATTENTION DEFICIT DISORDER

##### *Working Party - Membership*

224. Mr TRENORDEN to the Minister for Health:

- (1) Who were the members of the Technical Working Party on Attention Deficit Disorder and what were their qualifications?
- (2) Was there any family/parent membership on that technical working party?
- (3) If not, why not?
- (4) How many submissions or public comments were received in response to the technical working party's report?
- (5) Has the Minister received a submission from the Learning and Attention Disorders Society, representing families of people with ADD, recommending that there be a family/parent representative on the group reviewing the public comments and making final recommendations to the Government?
- (6) If yes to (5), has the Minister appointed such a person?
- (7) If no to (5), why have families/parents been excluded and how does this relate to the general Government policy of including families and parents in policy-making that affects them?

Mr PRINCE replied:

(1) Attention Deficit Disorder Technical Working Party members:

Chair	Professor Lou Landau MBBS MRACP MD FRACP OA University Department of Paediatrics, Princess Margaret Hospital
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Expert Medical Practitioner	Dr Trevor Parry MBBS FRACP DPH DCH FRACMA Director, State Child Development Centre Health Department of Western Australia
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## Representatives

Dr Paul Psaila-Savona  
MD MSc MFOM FAFOM FAFPHM DPH DIH  
Principal Medical Officer, Environmental Health  
Health Department of Western Australia

Dr Allan Quigley  
MBBS MRACMA  
Medical Consultant  
Health Department of Western Australia

Ms Trish Fullerton  
BAppSc PS GradDipPsych DipEd  
Principal School Psychologist  
Education Department of Western Australia

Ms Alison Bevan  
BA DipEd GradDipPsych  
Principal School Psychologist and Project Leader for Shean Report  
Implementation  
Education Department of Western Australia

Mr Les Harrison  
BPsych MClinPsych  
Principal Clinical Psychologist  
Family and Children's Services

Ms Susan Hudd  
BPsych MAppliedPsych  
Clinical Psychologist, Scarborough District  
Family and Children's Services

Dr Philip Montgomery  
MBBS FRACMA  
Director, Medical and Specialised Services  
Disability Services Commission

Ms Marita Walker  
BSc GradDipPhysiotherapy  
GradDipHealthSc (Neuroscience) MAppSc  
Director, East Metropolitan Region  
Disability Services Commission

## Executive Support

Ms Pamela Oosterhof  
Family and Children's Services

- (2) No.
- (3) The Technical Working Party was formed in order to provide technical advice on ADD to the Cabinet Sub Committee.
- (4) 52.
- (5) The Health Department received a submission from the Learning and Attentional Disorders Society, commenting on the Technical Working Party's report. The submission was addressed to Dr Bryant Stokes, General Manager, Clinical Services Directorate, Health Department of Western Australia. In addition, the Minister had received a letter from this organisation, recommending that there be a family/parent representative on the group reviewing the public comments and making final recommendations to the Government.
- (6)-(7) Technical advice and public comment on that advice have been sought. If a further group is formed which develops policy on or services for people with ADD a family/parent representative will be included.

## FAMILY AND CHILDREN'S SERVICES - NON-GOVERNMENT AGENCIES

*Funding*

245. Ms ANWYL to the Minister for Family and Children's Services:

- (1) I refer to the City of Kalgoorlie-Boulder and request details of all funding made to non-Government agencies for the financial years ending -
- (a) 30 June 1995;
- (b) 30 June 1996; and

(c) 30 June 1997?

(2) What is the name and address of each such organisation?

Mrs PARKER replied:

(1)-(2)

Agency	Address	30.6.95	30.6.96	30.6.97
Centrecare Goldfields Financial Counselling	7 Dugan Street, Kalgoorlie	\$0	\$0	\$31 951
Centrecare Spouse Abuse Counselling	7 Dugan Street, Kalgoorlie	\$0	\$0	\$18 231
Eastern Goldfields YMCA	PO Box 179, Kalgoorlie	\$12 116	\$16 102	\$0
Financial Advocacy & Relief Agency	Lotteries House, McDonald Street, Kalgoorlie	\$36 279	\$38 119	\$31 432
Finlayson House	29 Dugan Street, Kalgoorlie	\$192 690	\$214 095	\$149 865
Goldfields Arts Centre	PO Box 22, Kalgoorlie	\$0	\$2 400	\$0
Goldfields Family Counselling	61 Johnson Street, Kalgoorlie	\$0	\$0	\$41 020
Golden Mile Community House	61 Johnson Street, Kalgoorlie	\$72 930	\$74 540	\$57 270
Golden Mile Youth Hostel	Cnr Shannon & Leviathan Streets	\$153 827	\$121 506	\$139 701
Goldfields Youth Action	PO Box 1098, Kalgoorlie	\$16 500	\$0	\$0
Kalgoorlie Boulder Emergency Accommodation & Referral	Cnr Hopetown & Oberthur Streets, Kalgoorlie	\$32 440	\$40 943	\$36 151
Nindeebai Pirniku Kalgoorlie Boulder Youth Service	PO Box 992, Kalgoorlie	\$0	\$0	\$0
Ninga Mia Homeless & Fringe Dweller Support Service	PO Box 421, Kalgoorlie	\$72 559	\$97 324	\$0
Police & Citizens Youth Club	198 Egan Street, Kalgoorlie	\$0	\$1 700	\$0

LAND - MT HENRY HOSPITAL SITE

*Redevelopment*

302. Mr PENDAL to the Minister for Health:

- (1) I refer to the Mt Henry Hospital and current preparations for redevelopment of the site and ask, is it correct that plans are under way to extend Craigie Crescent across Mt Henry Road into the Mt Henry Hospital site?
- (2) Is any such extension proposed on a permanent basis?
- (3) If so, who gave approval for such an extension on a permanent basis?
- (4) For what purpose is Craigie Crescent being extended?
- (5) Was the local authority consulted and, if so, with what result?

Mr PRINCE replied:

- (1) Yes. An indicative subdivision plan was required by the City of South Perth's Technical Services Committee in support of the development application for the proposed 60 bed nursing home on Mt Henry.

The proposed subdivisional access roads reflect the Ministry for Planning's requirements, and include a possible extension of Craigie Crescent across Mt Henry Road.

- (2) Yes - if supported by the Ministry for Planning and the City of South Perth.
- (3) Not applicable.
- (4) The Ministry for Planning has advised that Mt Henry Road is the main distributor road to which local roads from within the proposed subdivision should connect.
- (5) Yes - the City of South Perth's Technical Services Committee was consulted and is satisfied that the intersection solution shown on the indicative subdivision plan is the safest option.

#### TELECOMMUNICATION TOWERS - CONSTRUCTION

##### *Government Strategies*

303. Mr PENDAL to the Minister for Health:

- (1) I refer to the Minister's letter to me of 5 February 1997, in respect of the Optus proposal for a telecommunications tower close to the Mt Henry Nursing Home and ask, is it correct that the Minister's department is currently pursuing a number of strategies to prevent the construction of this tower?
- (2) If so, will the Minister outline these strategies to the Parliament?
- (3) Does the Minister's department intend to pursue similar strategies to prevent other towers being built in the South Perth area and elsewhere in Western Australia?
- (4) If not, why not?
- (5) Is the Minister satisfied that there are no health risks involved in the presence of such telecommunications towers?

Mr PRINCE replied:

- (1) Yes.
- (2) Yes. The State is seeking an injunction pending Optus serving notice under the 1997 Land Access Code. The matter is listed on the Supreme Court's expedited list for hearing on 24 March 1997. Ownership of the land was changed to the Minister for Health on 26 February 1997 to join the Minister as a party to the proceedings.
- (3) No. However, future action may be required if other proposed towers have an adverse visual impact on health service sites or if their presence will reduce the value of health service assets identified for disposal.
- (4) Not within portfolio responsibilities unless on a health service site.
- (5) Yes, in light of current research and information at hand.

#### FAMILY AND CHILDREN'S SERVICES - WOODLAKE VILLAGE COMMUNITY CENTRE

##### *Government Financial Assistance*

333. Mr BROWN to the Minister for Family and Children's Services:

- (1) Has the State Government provided any funds towards the cost of the construction of the Woodlake Village Community Centre in Ellenbrook?
- (2) If so, how much -
  - (a) has been;
  - (b) will be,
 provided?

Mrs PARKER replied:

- (1) Yes.
- (2) (a) \$300 000.  
(b) \$100 000.



FAMILY AND CHILDREN'S SERVICES - "FOCUS"

*Premier's Award*

340. Mr BROWN to the Minister of Family and Children's Services:

- (1) Did the February 1997 edition of *Focus*, produced by the Department of Family and Children's Services, report the department won the 1996 Premier's Award for Public Sector Management in the Human Resource category?
- (2) How many employees in the Department of Family and Children's Services are employed on workplace agreements?

Mrs PARKER replied:

- (1) Yes.
- (2) None.

HEALTH - DEPARTMENT

*Employees - Child Abuse*

356. Dr CONSTABLE to the Minister for Health:

- (1) Are any procedures in place to ascertain whether -
  - (a) employees of the Department of Health who work with children; or
  - (b) those applying for a position in the department,
    - (i) have been convicted of; or
    - (ii) are suspected of,crimes of child abuse in Western Australia or any other jurisdiction?
- (2) If yes to (1) -
  - (a) what are the procedures;
  - (b) how long have they been in place; and
  - (c) in the last five years, how many of these employees in Western Australia have been identified?
- (3) Does the department have a "never-to-be-employed" list?
- (4) If yes to (3) -
  - (a) what criteria must be met for an employee to be included on the list; and
  - (b) how many employees are on the list?

Mr PRINCE replied:

- (1) At present there are no uniform protocols in place for employees of the Department of Health who work with children, or those applying for a position in the department, who have been convicted of, or are suspected of, crimes of child abuse in Western Australia or any other jurisdiction. HDWA has identified the need for protocols/procedures and we are currently addressing this concern in consultation with the NSW Health Department which is at the forefront of this issue. The Health Workforce Reform Division will hold carriage of the implementation of these protocols/procedures for the Health Department of Western Australia.
- (2) Not applicable.
- (3) The department employs staff in accordance with the principles and practices of equal employment opportunity and a person is employed on their merit. As the department does not have a uniform protocol on staff screening for crimes of child abuse, the issue is not taken into account when making a recommendation for appointment to the department. The department does not have a "never to be employed list".
- (4) Not applicable.

## HEALTH - COMMONWEALTH FUNDING

*Specific Purpose Payments*

367. Mr McGINTY to the Minister for Health:

In reference to commonwealth specific purpose payments within the Health portfolio -

- (a) who are the officers negotiating these payments with the Commonwealth;
- (b) are those officers public servants;
- (c) what is the state of the negotiations;
- (d) is it true that -
  - (i) all or some of the Health specific purpose payments are proposed to be rolled together under one public health agreement;
  - (ii) a 10 per cent cut in the levels of funding is being proposed by the Commonwealth; and
  - (iii) requirements for state matching payments may be eliminated?

Mr PRINCE replied:

- (a) The Commissioner for Health has overall responsibility for negotiating at officer level concerning specific purpose payments. At his direction other Health Department officers may negotiate with the Commonwealth.
- (b) Non-public servants may assist departmental officers where it is believed that they can contribute expertise that will help the State in securing a better deal.
- (c) There are a large number of health specific purpose payments. At any time there will be negotiations concerning the level, terms and conditions of some payments.
- (d)
  - (i) There have been discussions about the concept of broad-banding specific purpose payments. I support in principle the broad-banding of specific purpose payments because it would reduce administration costs and hopefully would allow the State to have greater autonomy to tailor services to meet the specific needs of Western Australians.
  - (ii) There is presently no proposal for a 10 per cent cut. In its 1996-97 Budget the Commonwealth made a unilateral decision, not agreed by States, to reduce funding by 10 per cent for a number of specific purpose payments which it said would be broad-banded. If in future the Commonwealth does make a 10 per cent cut part of a proposal to broad-band funding then, in order to agree, I would first need to be convinced that the gains to the State in terms of reduced costs and increased flexibility would at least offset the cut in funding.
  - (iii) In my view the fewer conditions attached to funding the better. The removal of the matching requirement does not mean the State would reduce funding to programs.

## HEALTH - VITAMIN A PROGRAM

*Report*

444. Mr McGINTY to the Minister for Health:

- (1) In light of significant public interest in the matter, will the Minister make public and available to the Opposition, forthwith, the report and recommendations regarding the Vitamin A program?
- (2) Will funding now be provided to re-start the Vitamin A program?

Mr PRINCE replied:

- (1) The Vitamin A program assessment was carried out by three eminent independent epidemiologists. Their findings will be shared with Professor W. Musk in the first instance. I will then have no objection to making their findings public.
- (2) The Vitamin A program benefited substantially from the funds which had been approved for asbestos-related diseases. These funds are still available and have never stopped. Separate funding for the Vitamin A program will be considered after the findings have been discussed with Professor Musk.

**QUESTIONS WITHOUT NOTICE**

GLOBAL DANCE FOUNDATION - INCORPORATION

*Payments by Tourism Commission*

**107. Dr GALLOP to the Premier:**

- (1) Why did the Western Australian Tourism Commission on 13 June 1995 draw a cheque for \$215 000 in favour of Global Dance Foundation Inc. having by then discovered that GDF's real legal status was misrepresented in the contract dated 26 May 1995?
- (2) Why did the Tourism Commission make the second payment of \$215 000 on 1 July 1995 having by then discovered GDF's real legal status?
- (3) Why did the Tourism Commission not question whether it was obliged to make a payment to an organisation whose legal status was misrepresented by the assertion that it was incorporated on 26 May 1995, when it was not incorporated until 1 June 1995?
- (4) Did the Chairman of the WA Tourism Commission inform the Premier of these events, and, if so, when and what action resulted; if not, why not?
- (5) When did the Tourism Commission discover that it had been misled and did it consult its solicitors as to its liability under the agreement?

**Mr COURT replied:**

I thank the member for some notice of this question.

- (1)-(3) The Crown Solicitor's Office has advised that the real issue at the heart of the question is whether there is a binding contract between the WA Tourism Commission and Global Dance Foundation Inc. It has advised that a binding agreement exists between the WA Tourism Commission and Global Dance Foundation Inc.

The legal position on pre-incorporation contracts by associations is governed by section 10C of the Associations Incorporation Act 1987, which states that upon incorporation of an association under the Act -

all rights and liabilities (whether certain or contingent) exercisable against members or officers of the association in their capacity as such immediately before the incorporation of the association become rights and liabilities of and exercisable against the incorporated association, but this paragraph shall not be construed so as to relieve or release any person in respect of liabilities incurred by or on behalf of the association prior to incorporation;

- (4) No.
- (5) I cannot give the Leader of the Opposition a date, but the WA Tourism Commission has been consulting solicitors in recent days.

GLOBAL DANCE FOUNDATION - INCORPORATION

*Contract*

**108. Dr GALLOP to the Premier:**

On what date did the Premier discover that the WA Tourism Commission had entered into a contract with a body that had not been legally incorporated?

**Mr COURT replied:**

I cannot give a specific date, but only in recent weeks when the Leader of the Opposition -

Dr Gallop: It was as a result of Opposition questions, wasn't it?

Mr COURT: It has come to notice as a result of the information sought in questions asked by the Opposition.

## DAWESVILLE CHANNEL - SAND BYPASS SYSTEM

*Effectiveness***109. Mr MARSHALL to the Minister representing the Minister for Transport:**

The sand bypass to the Dawesville Channel plays an important role in the preservation of the beaches north of the channel.

- (1) Has the system proved effective?
- (2) If not, what have been the faults and have they been corrected?

**Mr OMODEI replied:**

I thank the member for some notice of this question. The Minister for Transport has supplied the following response:

- (1)-(2) The sand bypass system at the Dawesville Channel entrance is effective and is achieving the design objectives. As the member will know, the limestone rocks caused some problems which resulted in a blockage. However, a change of engineering design has remedied the problem.

Some of the northern beaches were being bypassed, but an extension to the outfall pipe further into the ocean has rectified that situation.

The sand is not collecting in the same place as the design expected, which is causing some problems. However, it is not in the bypass area where the sand is pumped under the channel to the northern area. That will be fixed. The Department of Transport said that no serious faults have occurred. It constantly monitors the sand trap and will take any action appropriate to fix the problem.

## GLOBAL DANCE FOUNDATION

*Economic Impact Study***110. Dr GALLOP to the Premier:**

Some notice has been given of this question.

I refer again to the Global Dance Foundation fiasco, which originated while the Premier was Minister for Tourism, and ask the same question I put yesterday -

How does the Government justify the fact that the Western Australian Tourism Commission was required to conduct and fund a feasibility study on the value of a world dance congress in Perth after the Government had committed \$430 000 of taxpayers' money to the project?

**Mr COURT replied:**

I suggest the Leader of the Opposition read the contract. It is not a feasibility study. If he had read the contract, he would know that he has changed a few words. Clause 2.2B of the sponsorship agreement dated 26 May 1995 between the WA Tourism Commission and Global Dance Foundation Inc requires the commission to conduct at its cost an economic impact study of the event. The Tourism Commission has a policy of conducting independent research studies.

Dr Gallop: Don't those studies usually occur before you commit funds? Of course they do.

Mr COURT: The Leader of the Opposition should listen. The Tourism Commission has a policy of conducting independent research studies of significant events in which it is involved, after the event has been staged. It is a standard policy.

Dr Gallop: After they are staged? You committed the money and did not have an event.

Mr COURT: I just said that it is standard practice after the event, which is built into the contract -

Dr Gallop: Don't justify the unjustifiable.

Mr COURT: It is standard practice of the WA Tourism Commission. The Opposition did the same with all its rallies and the like.

Dr Gallop: You are on very shaky ground on this issue.

Mr COURT: The Leader of the Opposition is quoting the word feasibility when it is not even mentioned in the contract; he should get his questions correct.

HOSPITALS - GERALDTON REGIONAL

*Future - Study*

**111. Mr BLOFFWITCH to the Minister for Health:**

- (1) Will the Minister provide the House with an update on the future of Geraldton Regional Hospital?
- (2) What studies are underway?
- (3) At what stage is the Government with these studies?

**Mr PRINCE replied:**

- (1)-(3) A project control group in Geraldton, funded in the last Budget, comprising the general manager of the Health Service, representatives of the medical advisory committee and the Health Department and others have been working on the matter for some time. They appointed design consultants Silver Thomas Hanley, who, I understand, have nearly finished a report on matters concerning the continued use of the existing building, which is the last of the hospitals built in about 1964; that is, Geraldton Regional Hospital, the Old Northam Hospital and Bunbury Regional Hospital to be replaced in 1998. It is considering where a facility should be located. It may be in conjunction with St John of God Health Care System Inc and could be a single level rather than a multistorey facility.

I was informed a few days ago that the project control group expects to receive from Silver Thomas Hanley a report this week, next week or thereabouts. I expect that after the project control group has examined that report it will let me know the position. I have no doubt I will be able to pass that information to the member at that time. The member may be assured that the planning process is continuing with respect to what should replace the Geraldton Regional Hospital in due course.

GLOBAL DANCE FOUNDATION - CONTRACT

*Ministerial Responsibility*

**112. Dr GALLOP to the Premier:**

- (1) Is the Premier aware that his colleague in the Legislative Council, the Minister for Tourism, Hon Norman Moore, is refusing to answer questions on the Global Dance Foundation fiasco without first taking legal advice?
- (2) Given the Premier's revelation in Parliament yesterday that lawyers for the Government and Global Dance are now running up the legal expense clock, will the Premier now -
  - (i) accept ministerial responsibility for this debacle, given the refusal of Norman Moore and Peter Foss to do so; and,
  - (ii) instruct the Government's lawyers to terminate the contract and recover moneys paid for services not delivered?

**Mr COURT replied:**

- (1) I am interested in that response. No, I am not aware, but I am not surprised, that the Minister for Tourism is seeking legal advice.

Dr Gallop: What does it tell us about this issue? He will not spontaneously respond to questions without going to a lawyer.

Mr COURT: The Leader of the Opposition has asked the question and he should allow me to answer it. I said in this House yesterday that the Tourism Commission was seeking legal advice in its negotiations on this matter, and I will explain why.

- (2) The Leader of the Opposition asked why the Government had not moved to terminate the contract and recover the moneys. A legal contract is in place, of which the Leader of the Opposition has a copy. It would be totally irresponsible to take pre-emptive action as a result of which the State would have no opportunity to recover money. Under the contractual arrangement -

Dr Gallop: There is no contract. Global Dance Foundation did not exist on 26 May.

Mr COURT: This is typical of the Opposition's irresponsibility. I have spent more than four years working on a litigation committee trying to unravel deals. The committee has learnt that it is necessary to accept proper legal advice.

Dr Gallop: Of course it is. Did the Tourism Commission have good legal advice when it signed the contract without the body being incorporated? What a fiasco. Who will take responsibility for that?

Mr COURT: If the Leader of the Opposition will allow me to proceed, I will answer his questions. The Government has been advised that should it take pre-emptive action along the lines suggested, it would have no grounds on which to recover funds if the group did not meet its commitment. Does that satisfy the Leader of the Opposition? I have already said that, as I was Minister for Tourism at the time, I take full responsibility for this situation. I have previously said that in this Parliament. I do not walk away from things. I make about a thousand decisions every week and I must take responsibility for them. I do not pass the buck to anyone else. It is no secret that the Government has problems with this contract but it has many more contracts which are successful. I take responsibility for the good and the bad.

## ARTS AND CULTURE

### *Australia Council for the Arts - Chair*

#### **113. Mrs HODSON-THOMAS to the Premier:**

Dr Margaret Seares, who is currently the Executive Director of the Department for the Arts, has been appointed the chair of the Australia Council for the Arts. Does the Premier join with all Western Australians in congratulating Dr Seares on her appointment?

#### **Mr COURT replied:**

I am both pleased and sad about this appointment. I am pleased because the chair of the Australia Council for the Arts is one of the highest positions in the arts in Australia, and I am sure we are all proud that a Western Australian will take that position. I am sad also because Dr Seares is one of our best chief executive officers and she will be leaving the department. The Government has made it clear that it would love her to remain in her position because she has done a fantastic job in the Department for the Arts. She has been one of the chief executive officers who have been able to find imaginative and practical solutions to many of the issues the Government has addressed in the arts. Apart from taking on this role as the chair of the Australia Council, she will return to a position at the University of Western Australia. She has been working under a secondment from the university in her current position with the Government.

I hope that in her position as chair of the Australia Council the golden triangle of arts funding that tends to concentrate on the east, and does not quite get across the border to Western Australia, can be broken, as was reported in a newspaper article this morning. It is fantastic that a person who knows Western Australia well, and who is a practical, competent person, is in that role. Although the Government will miss her as one of its most effective chief executive officers, I know that she will continue to keep Western Australia's interests at heart.

## MINING - GOLD ROYALTY

### *Impact*

#### **114. Mr GRILL to the Premier:**

- (1) Is the Premier aware that the operators of the Granny Smith goldmine today advised all of its 500 suppliers that the imposition of a gold royalty, as outlined by the Government, would result in a reduction of the mine life by five years or more; the loss of 300 direct jobs and 1 200 jobs in total; a reduction in exploration effort; and the closure of the mine in 1999?
- (2) Is the Premier aware also that according to the company, the associated Granny Deeps project, requiring a \$80m investment to proceed, will not go ahead if a gold royalty is introduced?
- (3) Is the Premier aware also that Placer (Granny Smith) Pty Ltd - one of the world's oldest and biggest gold miners - asserts that 48 goldmines have less than five years' life in Western Australia and that most of those will close if the gold royalty is introduced?
- (4) Has the Premier received a copy of Granny Smith's facsimile warning of these closures, and what is his response to that fax? I understand the Premier has received that fax.

**Mr COURT replied:**

(1)-(4) I have not received the fax personally; my office may have. As the member will know, I have been in the House all day today. I have not seen that fax. I ask the member for Eyre: What is the average life of a goldmine?

Mr Grill: Seven years for an open cut operation.

Mr COURT: I would say five years. The member says that a mine will close after five years. However, a large number of mines operate for between three and five years. There will always be mines that are closing. I am not aware of what the company has said. The Chamber of Minerals and Energy of Western Australia and the Australian Minerals and Energy Council outlined that a number of mines have cut off points to do with grade, reserves and so on. The biggest factor that hit the mines was the price of gold going down \$100 in a year. The member must admit that that is a difficult thing to take.

Mr Ripper: You want to stick a royalty on top of that?

Mr COURT: A 2.5 per cent royalty is the equivalent of around \$10. They have copped a \$100 decline.

Mr Ripper: It is a bad time to impose a royalty on them.

Mr COURT: Perhaps the member for Belmont can answer this question: If a gold royalty were introduced, would the Labor Party remove it if it were returned to government?

Dr Gallop: We will not have one introduced, Premier. Let me ask you a question: Do you still have consensus in your Cabinet? If Hon Norman Moore says no in the Cabinet to a gold tax, will it go through? Answer no.

Mr COURT: I have just asked a simple question.

Dr Gallop: It is not a simple question; it is a hypothetical question. We want to know whether this tax will go through if Norman Moore says no in the Cabinet room.

The SPEAKER: Order! The Leader of the Opposition.

Mr Minson interjected.

The SPEAKER: Order! The member for Greenough knows that it is highly disorderly to interject when I am on my feet. I have allowed a reasonable number of interjections, particularly from the members asking the questions, because that allows them to pursue matters. However, once a range of members interject, it gets out of hand.

Mr COURT: The Chamber of Minerals and Energy and AMEC provided information about mines that would be susceptible to any cost increases, whether they are to do with a royalty that would be the equivalent of around \$10 an ounce. This is an industry that unfortunately has had to accept a large drop in price and has been threatened by the removal of the diesel fuel rebate and other measures that have been contemplated to get some extra dollars out of the industry.

Dr Gallop: We only want one Cabinet Minister to say no and it will not go through!

Mr COURT: Again, I ask the question of members opposite: When we introduced the 4¢ a litre levy on fuel, many members opposite made a lot of noise about how they would get rid of it as it was disastrous. However, when it came to the crunch, members opposite said they would keep it. If members opposite want to be honest in this debate, and a gold royalty is introduced -

Dr Gallop: We will win on this issue, Premier. We need only one Cabinet Minister to say no, because in this Parliament you said Cabinet works on consensus; that is, unless there is unanimity, nothing goes through your Cabinet.

Mr COURT: Go a step further and talk about collective responsibility; if the Leader of the Opposition does, it will be for the first time.

Several members interjected.

The SPEAKER: Order!

Mr COURT: I would have thought that this was a simple question, but members opposite are making a lot of noise about it. If the Government introduces a royalty, would the Leader of the Opposition repeal it if he came back to government?

Dr Gallop: It is a hypothetical question. We will knock you off, Premier.

Several members interjected.

Mr COURT: I ask the same question of the member for Eyre: If he were the Leader of the Opposition and he became Premier, would he -

Mr Grill: Absolutely. You know that.

Mr COURT: Okay. The gold industry will have to toss a coin when deciding whether the current Leader of the Opposition or the member for Eyre might be making that call in a few years' time.

## INDUSTRIAL RELATIONS - NO-STRIKE AGREEMENTS

### *Employer-Union Negotiated*

#### **115. Mr MASTERS to the Minister for Labour Relations:**

Some notice of this question has been given. It has been uncommon in the past for unions to negotiate away their members' right to strike regardless of the compensation offered. Is the Minister aware of any recent cases in which an employer and a union have negotiated a no-strike agreement?

#### **Mr KIERATH replied:**

It has been very difficult for employers to negotiate no-strike agreements with unions, as the right to strike was claimed as a basic right. In 1904 employees exchanged no strike in return for compulsory arbitration. Unfortunately, one no-strike agreement came to public notice in the past 24 hours, although some of us had known about it for some time.

Several members interjected.

The SPEAKER: Order!

Mr KIERATH: This related to a no-strike agreement between an employer and a union in very uncomfortable circumstances.

Several members interjected.

The SPEAKER: Order!

Mr McGinty: You're a fool, Minister.

Mr Graham interjected.

The SPEAKER: Order! The members for Pilbara and Fremantle know it is highly disorderly to interject while I am on my feet. They are also interjecting incessantly.

Mr KIERATH: It came to light yesterday that a deal involving criminal behaviour had been made between a construction manager and a union official involving a corrupt payment of \$20 000 to an official of the Builders' Labourers, Painters and Plasterers Union, formerly the BLF. This was a sweetener to ensure industrial harmony. That is the sort of practice in question. It is fascinating to consider the motives behind the union official who ratted on his members in return for a personal kickback. This is the same union which has been appearing in court -

### *Point of Order*

Mr RIPPER : It seems that the Minister may be talking about a matter which is before the courts. I ask you, Mr Speaker, to ask him whether this matter is before the courts and, if so, to outline that the sub judice rule would apply to his comments.

The SPEAKER: Order! A practice in this place is that if a matter is sub judice - in other words, it is under adjudication before a court, or comment represents a substantial danger of prejudicing a trial - we do not allow it to be raised in the House. If the Minister gives the assurance that the matter is not under adjudication, I will allow him to continue with his answer.

Mr KIERATH: I was quoting from *The West Australian* of today's date.

Dr Gallop interjected.

The SPEAKER: Order! I formally call the Leader of the Opposition to order for the first time.



Mr KIERATH: I was simply recounting an article which is in *The West Australian* today. The article relates to the circumstances in the District Court yesterday.

Dr Gallop interjected.

The SPEAKER: Order!

Mr KIERATH: A person has been found guilty because he confessed to the crime. The trial has concluded and the reason *The West Australian* ran the article today is that the matter has legally been concluded.

The SPEAKER: I will allow the Minister to continue.

*Questions without Notice Resumed*

Mr KIERATH: Thank you, Mr Speaker. This goes right to the heart of the issue. It is the same union which has had a number of charges made against it. It is the same union which appears on a regular basis to oppose the Government's industrial reforms in this place and the public arena. Is the union's objection to these reforms for the benefit of its members? No, it is for personal gain. The union is upset that, under this Government's legislative proposals, the extortion and corruption which has been endemic in the industry for years, and which everybody knows about, will be stamped out. I call on the Opposition to advise whether it condemns extortion and corruption of every kind. Will it condemn these actions? That is the question which must be asked of this Opposition. On the other hand, is it that because it was the union which was friendly to the Opposition when it was in government, it turned a blind eye to it, and this Government has been enforcing the law? It is fascinating that members opposite go on about contractual deals but when there is blatant corruption and extortion they are silent. Where is their criticism of these people who have been involved? This is the very reason that reforms are needed in the building and construction industry. The very unions which have been opposing the reforms are the very unions which support and bankroll the Australian Labor Party.

EAST PERTH REDEVELOPMENT AUTHORITY - CHAIRMAN

*Deal*

**116. Dr EDWARDS to the Premier:**

Can the Premier assure this House that no deal was done last year to offer former Planning Minister Richard Lewis a taxpayer-funded job after the state election in return for his withdrawal from the preselection contest for the seat of Alfred Cove - a withdrawal which allowed his now Cabinet colleague, the Minister for Fair Trading, to keep his endorsement?

**Mr COURT replied:**

That is a very serious allegation and it is totally untrue.

ROADS - MARMION AVENUE, JOONDALUP

*Roadworks - Cost*

**117. Mr BAKER to the Minister representing the Minister for Transport:**

- (1) What is the estimated total cost of the roadworks currently under way on Marmion Avenue, north of Shenton Avenue in the Joondalup district?
- (2) What are the benefits of these roadworks to the residents in the Joondalup district?

**Mr OMODEI replied:**

I thank the member for some notice of this question. The Minister for Transport has supplied the following response -

- (1) \$1.57m.
- (2) The works on Marmion Avenue will provide a four lane dual carriageway which will benefit the residents in the Joondalup district through -
  - (a) improved safety by the removal of traffic from lower standard roads; and
  - (b) less congestion and, therefore, reduced travel times.

## GOVERNMENT CONTRACTS - SCHOOL CLEANING

*Employees - Police Clearance***118. Mr RIPPER to the Minister for Education:**

- (1) Is it a condition of all school cleaning contracts, as suggested in *The West Australian* today, that companies seek and obtain police clearances for all employees to ensure they do not have convictions for sex offences?
- (2) If so, did the cleaning company honour its contractual obligations by seeking a police clearance for the 38 year old Beckenham man charged recently?
- (3) If not, will the contract be terminated?
- (4) Does the department monitor cleaning contracts to ensure that companies are fulfilling their legal requirements; if so, how?

**Mr BARNETT replied:**

I thank the member for this question.

- (1)-(4) It is a requirement under contracts that all school cleaners employed by a contractor are subject to a police records check. It is my understanding it did not happen in this case. The Education Department is seeking legal advice on the status of the contract. I regard it as a most serious breach of the contract and, in this case, it had a very serious and unfortunate consequence.

I cannot at this time provide the details of those contracts and how they are monitored. I can provide the member with information if he requires it.

Mr Kobelke: They are not properly monitored.

Mr BARNETT: The member should allow me to get accurate information on how they have been monitored. Clearly, in this case, the system has failed. The failing is on the part of the contractor for not having had this done properly.

Mr Ripper: Perhaps it is a failing on the part of the department for not monitoring it correctly.

Mr BARNETT: Perhaps, but it is the contractor's responsibility; he has failed and the standing of the contract is now under review. I am most disturbed about it.

## PLANNING - PORTFOLIO

*Priorities***119. Mrs HOLMES to the Minister for Planning:**

Some notice of this question has been given. Will the Minister tell the House what are the main priorities he sees in the Planning portfolio?

Mrs Roberts: How many more mates have you got to appoint?

**Mr KIERATH replied:**

It is interesting that the member raises the issue of mates. The appointment of Richard Lewis was featured on page four of *The West Australian* and an article about blatant extortion and corruption on the part of a union official was featured on page 46. That says a lot about the priority of the issues.

Planning in the metropolitan area is a balance between the central business district and the suburbs. In planning, the intention is to ensure that the CBD has the highest priority - it is the capital city and that is where we have made our major investments in infrastructure. That activity revolves around tourism, investment and infrastructure in the CBD.

However, we should take a broader view. When we look at the suburbs we see ourselves establishing communities. In order to do that we must provide affordable housing, public transport, employment and so on. Two developments in recent times are Ellenbrook and North Joondalup, which are very good examples of a return to the traditional neighbourhood. In addition, the Government has put in place a major strategy for Perth's bushland to ensure quality of life in those areas. An announcement will be made about that shortly.

The country regions have not been forgotten; we are trying to give them a high priority to allow the supply of residential land in the hot spots that have occurred around the State. We have also developed strategies for the

increase in the population retiring to areas such as the south west. We have commenced two studies, one in the Avon-Arc area and the other in the Goldfields-Esperance region.

Good planning includes the provision of all the information that is available, drawing on our previous experience and developing short, medium and long term plans. In that way we try to cater for expected needs and also allow flexibility to ensure that if circumstances change, planning can change accordingly. They are the priorities in the area of planning.

A couple in Parliament House today are celebrating their fiftieth wedding anniversary - Sam and Barbara Gaskin - and I extend my congratulations to them.

## HEALTH

### *Home and Community Care - Fees*

#### **120. Mr McGINTY to the Minister for Health:**

As part of the much vaunted social dividend promised by the Premier during the last state election -

- (1) Will the Minister introduce fees for home nursing and community care provided by organisations such as Silver Chain, where those services are currently provided free to those who need them?
- (2) Is the Minister aware that charging will hit the most economically disadvantaged, who are also frail and unwell, and will result in lower utilisation of those services and increased costly hospitalisation?

#### **Mr PRINCE replied:**

- (1)-(2) In respect of the social dividend, I remind the member that new hospitals are under construction at Bunbury, Mandurah and Joondalup. The Opposition promised and the Government has delivered, and it will continue to do so.

As far as Home and Community Care services are concerned, the member might not be aware that it is a joint commonwealth-state program.

Mr McGinty: Will you sign it?

Mr PRINCE: It is 60 per cent commonwealth and 40 per cent state. I have described the program as having a Byzantine committee system controlling how funds are distributed. Any suggestion of fees - this is the first I have heard of it - would have to be signed off by me and the federal Minister. It would also be required to go through a whole series of committees. I have heard no suggestion that fees should be charged.

Mr McGinty: It has been made quite public. You have an option to say that this will remain a free service.

Mr PRINCE: This issue concerns me and I am very much aware of the recipients of these services. I will certainly investigate what is being talked about within that committee system as opposed to speculation outside it. If I can provide better information at some later time, I will do so.

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